

THE NATIONAL ARCHIVES FEDERAL REGISTER OF THE UNITED STATES

1934

VOLUME 18 NUMBER 181

Washington, Wednesday, September 16, 1953

TITLE 7—AGRICULTURE

Subtitle A—Office of the Secretary of Agriculture

[Import Reg. 1, Amdt. 3]

PART 6—IMPORT QUOTAS AND FEES

SUBPART—IMPORT QUOTAS

USE OF IMPORT LICENSES; RESPONSIBILITY OF LICENSEE

By virtue of the authority vested in me by Proclamation 3019 of the President of the United States, dated June 8, 1953 (18 F. R. 3361), as amended by Proclamation 3025 dated June 30, 1953 (18 F. R. 3815) it is hereby determined that the following amendment of Import Regulation 1, as amended (18 F. R. 3819, 3822, 4544, 5085) is necessary and appropriate to carry out the objectives of said Proclamation.

Pursuant to such authority, § 6.25 of said Import Regulation 1 is therefore amended by adding at the end thereof the following new paragraph (e)

(e) There must be submitted to the Collector of Customs by or on behalf of the licensee at the time of importation of any commodity under a license specifying a particular country of origin: (1) A through bill of lading from the country of origin to the United States or a carrier's certificate evidencing the fact that the shipment is a through shipment from the country of origin to the United States, and (2) a United States Consular invoice completed in the country of origin.

Effective date; exceptions. The foregoing amendment shall be effective at 12:01 a. m., e. d. s. t., September 12, 1953, but shall not apply to the importation of any commodities which were loaded on board ocean carriers, or for which on-board ocean bills of lading were issued, prior to said time for shipment of the commodities to the United States.

Under Proclamation 3019, as amended, import licenses are to be issued for specified commodities under regulations which to the fullest extent practicable will result in the allocation of shares of the quotas established for such commodities among supplying countries, based upon the proportion supplied by

such countries during previous representative periods, taking due account of any special factors which may have affected or may be affecting the trade in the commodities concerned. It has been determined that the foregoing amendment of Import Regulation 1, as amended, is necessary, and must be made effective as soon as possible, in order to carry out the provisions of the Proclamation, as amended. Therefore, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) it is found upon good cause that notice and other public rule-making procedure concerning the amendment are impracticable, unnecessary, and contrary to the public interest and that good cause exists for making the amendment effective less than 30 days after publication in the FEDERAL REGISTER.

(Sec. 3, 62 Stat. 1248, as amended; 7 U. S. C. 624)

Done at Washington, D. C., this 11th day of September 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8008; Filed, Sept. 15, 1953; 8:51 a. m.]

Chapter I—Production and Marketing Administration (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

SUBPART B—UNITED STATES STANDARDS¹

CANNED APPLES

On April 29, 1953, a notice of proposed rule making was published in the FEDERAL REGISTER (18 F. R. 2503) regarding a proposed revision of the United States Standards for Grades of Canned Apples. After consideration of all relevant mat-

¹ The requirement of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.

(Continued on next page)

CONTENTS

Agriculture Department	Page
See also Farmers Home Administration; Production and Marketing Administration.	
Notices:	
Mississippi; sale of mineral interests; revised area designation.....	5556
Rules and regulations:	
Import quotas and fees; use of import licenses; responsibility of licensee.....	5525
Air Force Department	
Rules and regulations:	
Relations with agencies of public contact; commercial life insurance solicitation.....	5539
Army Department	
Rules and regulations:	
Claims against the U. S., claims of military personnel and civilian employees.....	5535
Commerce Department	
See Federal Maritime Board; International Trade Office.	
Defense Department	
See Air Force Department; Army Department.	
Farmers Home Administration	
Notices:	
Deputy Administrator, Assistant Administrators, and Director, Production Loan Division; delegation of authority with respect to certain powers, functions and duties.....	5556
Federal Communications Commission	
Notices:	
Albuquerque Broadcasting Co. (KOB) order continuing oral argument.....	5557
Federal Maritime Board	
Notices:	
Member Lines of Northwest Marine Terminal Assn., cancellation of agreement.....	5556
R. Stone & Co., Inc., and Tidewater Forwarding Co., misclassification of tissue paper as newsprint paper; order of investigation and hearing....	5556



Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

Now Available

UNITED STATES GOVERNMENT ORGANIZATION MANUAL

1953-54 Edition
(Revised through July 1)

Published by the Federal Register Division,
the National Archives and Records Service,
General Services Administration

734 pages—\$1.00 a copy

Order from Superintendent of Documents,
United States Government Printing Office,
Washington 25, D. C.

CONTENTS—Continued

Foreign Operations Administration	Page
Rules and regulations:	
Procedure for furnishing assistance to participating countries; marking requirements.	5535
Housing and Home Finance Agency	
See also Public Housing Administration.	
Notices:	
Delegations of authority with respect to various programs and functions:	
OA Fiscal and Assistant Fiscal Officers.	5557
Regional Representatives, Regions III (Chicago) and IV (Fort Worth)	5557

CONTENTS—Continued

Internal Revenue Service	Page
Notices:	
District Directors of Internal Revenue; delegation of authority to require records to be kept showing liability to income tax.	5556
International Trade Office	
Rules and regulations:	
Export regulations; miscellaneous amendments.	5528
Interstate Commerce Commission	
Notices:	
Applications for relief:	
Borings, filings, or turnings from New York and Maryland to Holston and Kingsport, Tenn.	5559
Chemicals from Michigan, Ohio, and West Virginia to Connecticut, Massachusetts, New Jersey, and Rhode Island.	5559
Cement from Pennsylvania to Powerville, Iowa.	5559
Latex from Baton Rouge and North Baton Rouge, La., to Ohio, Illinois, and Indiana.	5558
Nitrate of soda from Hopewell, Va., to Chauncey N. Y.	5560
Silica sand from Muscatine, Iowa, to the Southwest.	5558
Soda ash from Westvaco, Wyo., to Bauxite, Ark.	5559
Post Office Department	
Rules and regulations:	
Disbursements and accounts; mail equipment; miscellaneous amendments.	5540
Provisions applicable to the several classes of mail matter: privacy and safeguarding of the mails; treatment of domestic mail matter at post offices of mailing and in transit; rural delivery; miscellaneous amendments.	5540
Revisions of various parts with respect to the money-order system.	5541
Production and Marketing Administration	
Proposed rule making:	
Milk handling in various marketing areas:	
Puget Sound, Wash.	5549
Tri-State area.	5551
Rules and regulations:	
Canned apples, U. S. standards for grades; revision.	5525
Public Housing Administration	
Notices:	
Attesting officers; field organization and final delegations of authority.	5558
Securities and Exchange Commission	
Notices:	
Arkansas Fuel Oil Corp., filing for order that applicant has ceased to be a holding company.	5558

CONTENTS—Continued

Treasury Department	Page
See Internal Revenue Service.	

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 7	Page
Subtitle A.	
Part 6.	5525
Chapter I:	
Part 52.	5525
Chapter IX:	
Part 925 (proposed).	5549
Part 972 (proposed).	5551
Title 15	
Chapter III.	
Part 372.	5528
Part 373.	5528
Part 376.	5528
Part 377.	5528
Part 382.	5528
Part 398.	5528
Title 22	
Chapter II.	
Part 201.	5535
Title 32	
Chapter V	
Part 536.	5535
Chapter VII:	
Part 804.	5539
Title 39	
Chapter I;	
Part 17.	5540
Part 35.	5540
Part 41.	5540
Part 42.	5540
Part 52.	5540
Part 70.	5541
Part 71.	5541
Part 72.	5541
Part 73.	5541
Part 74.	5541
Part 75.	5541
Part 99.	5540

ters presented, including the proposals set forth in the aforesaid notice, the following revised United States Standards for Grades of Canned Apples are hereby promulgated under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U. S. C. 1621, et seq.) and the Department of Agriculture Appropriation Act, 1954 (Pub. Law 156, 83d Cong., approved July 28, 1953)

§ 52.119 *Canned apples.* Canned apples is the product prepared from sound, fresh apples of proper maturity and proper ripeness, which fruit is packed with or without any of the following ingredients: Water, salt, spices, nutritive sweetening ingredients, and any other ingredients permissible under the provision of the Federal Food, Drug and Cosmetic Act, and is sufficiently processed by heat to assure preservation of the product in hermetically sealed containers.

(a) *Styles of canned apples.* (1) "Sliced" means canned apples consist-

ing of segments of apples cut longitudinally and radially from the core axis.

(b) *Grades of canned apples.* (1) "U. S. Grade A" or "U. S. Fancy" is the quality of canned apples that possess similar varietal characteristics; that possess a normal flavor and odor; that possess a good color; that are practically uniform in size; that are practically free from defects; that possess a good character; and that score not less than 85 points when scored in accordance with the scoring system outlined in this section: *Provided*, That the canned apples may be fairly uniform in size, if the total score is not less than 85 points.

(2) "U. S. Grade C" or "U. S. Standard" is the quality of canned apples that possess similar varietal characteristics; that possess a normal flavor and odor; that possess a fairly good color; that are fairly uniform in size; that are fairly free from defects; that possess a fairly good character; and that score not less than 70 points when scored in accordance with the scoring system outlined in this section.

(3) "Substandard" is the quality of canned apples that fail to meet the requirements of "U. S. Grade C" or "U. S. Standard."

(c) *Recommended fill of container.* The recommended fill of container is not incorporated in the grades of the finished product since fill of container, as such, is not a factor of quality for the purposes of these grades. It is recommended that each container be filled with apples as full as practicable without impairment of quality and that the product and packing medium occupy not less than 90 percent of the volume of the container.

(d) *Recommended minimum drained weights.* (1) Minimum drained weight recommendations for canned apples shown in Table I of this subparagraph are not incorporated in the grades of the finished product since drained weight, as such, is not a factor of quality for the purposes of these grades. The drained weight of canned apples is determined by emptying the contents of the container upon a United States Standard No. 8 circular sieve of proper diameter containing 8 meshes to the inch (0.0937-inch, $\pm 3\%$ square openings) so as to distribute the product evenly, inclining the sieve slightly to facilitate drainage, and allowing to drain for two minutes. The drained weight is the weight of the sieve and the apples less the weight of the dry sieve. A sieve of 8 inches in diameter is used for No. 3 size cans (404 x 414) and smaller, and a sieve 12 inches in diameter is used for containers larger than the No. 3 size can.

TABLE I—RECOMMENDED MINIMUM DRAINED WEIGHTS

Can size	Can dimensions (in inches)		Drained weight (in ounces)
	Diameter	Weight	
No. 303.....	3 $\frac{3}{16}$	4 $\frac{1}{16}$	14
No. 2.....	3 $\frac{1}{16}$	4 $\frac{1}{16}$	18
No. 2 $\frac{1}{2}$	4 $\frac{1}{16}$	4 $\frac{1}{16}$	26
No. 10.....	6 $\frac{1}{16}$	7	96

(2) Compliance with the recommended drained weights for canned apples is determined by averaging the drained weights from all the containers which are representative of a specific lot and such lot is considered as meeting the recommendation if:

(i) The average drained weight from all the containers meets the recommended drained weight;

(ii) One half—or more of the containers meet the recommended drained weight; and

(iii) The drained weights from the containers which do not meet the recommended drained weights are within the range of variability for good commercial practice.

(e) *Ascertaining the grade.* (1) The grade of canned apples is ascertained by considering the requirements with respect to varietal characteristics, flavor, and odor, which are not scored and the factors of color, uniformity of size, absence of defects, and character which are scored.

(2) The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given such factors are:

Factors:	Points
(i) Color	20
(ii) Uniformity of size.....	20
(iii) Absence of defects.....	20
(iv) Character	40
Total score.....	100

(3) "Normal flavor and odor" means that the product is free from objectionable flavors and objectionable odors of any kind.

(f) *Ascertaining the rating for the factors which are scored.* The essential variations within each factor which is scored are so described that the value may be ascertained for such factors and expressed numerically. The numerical range within each factor which is scored is inclusive (for example "17 to 20 points" means 17, 18, 19, or 20 points)

(1) *Color* (i) Canned apples that possess a good color may be given a score of 17 to 20 points. "Good color" means that the slices, internally and externally, possess a reasonably uniform bright color, characteristic of apples of similar varieties.

(ii) If the canned apples possess a fairly good color, a score of 14 to 16 points may be given. Canned apples that fall into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule). "Fairly good color" means that the slices possess a color characteristic of apples of similar varieties; may vary noticeably in color; may possess a slight, but not markedly, brown, pink, or grey cast; and are practically free from internal discoloration.

(iii) Canned apples that fail to meet the requirements of subdivision (ii) of this subparagraph may be given a score of 0 to 13 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule).

(2) *Uniformity of size.* (i) The factor of uniformity of size refers to the degree of wholeness and to the uniformity of thickness of the slices.

(a) "Practically whole slice" means that the individual slice may be cut or broken but at least three-fourths of the apparent original slice remains.

(ii) Canned apples that are practically uniform in size may be given a score of 17 to 20 points. "Practically uniform in size" means that at least 90 percent of the drained weight of the product consists of whole or practically whole slices of 1 $\frac{1}{4}$ inches in length or longer; and that of the 90 percent of the drained weight of the product consisting of units of the most uniform thickness, the thickness of the slices does not vary more than $\frac{1}{4}$ inch.

(iii) Canned apples that are fairly uniform in size may be given a score of 14 to 16 points. "Fairly uniform in size" means that at least 75 percent of the drained weight of the product consists of whole or practically whole slices of 1 $\frac{1}{4}$ inches in length or longer.

(iv) Canned apples that fail to meet the requirements of subdivision (iii) of this subparagraph may be given a score of 0 to 13 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule).

(3) *Absence of defects.* (i) The factor of absence of defects refers to the degree of freedom from harmless extraneous matter, from damaged or seriously damaged slices, and from carpel tissue.

(a) "Harmless extraneous matter" means any vegetable substance (including, but not being limited to, a leaf, stem, or portions thereof, cores and portions of cores, and seeds) that is harmless.

(b) "Damaged unit" means any unit possessing green peel that exceeds in the aggregate an area of a circle $\frac{1}{2}$ inch in diameter, or red peel that exceeds in the aggregate an area of a circle $\frac{1}{4}$ inch in diameter, light brown bruise that exceeds the area of a circle $\frac{1}{2}$ inch in diameter or which is more than $\frac{1}{4}$ inch deep, and any unit in which the appearance or eating quality is materially affected by blossom end material, dark brown bruise or other internal or external discoloration, pathological injury, insect injury, or by any other means.

(c) "Seriously damaged unit" means any unit damaged to such an extent that the appearance or eating quality is seriously affected.

(d) "Practically free from carpel tissue" means that for each 16 ounces of the product, the carpel tissue present does not exceed in the aggregate an area equal to $\frac{3}{4}$ square inch.

(e) "Fairly free from carpel tissue" means that for each 16 ounces of the product the carpel tissue present does not exceed an area equal to 1 $\frac{1}{2}$ square inches.

(ii) Canned apples that are practically free from defects may be given a score of 17 to 20 points. "Practically free from defects" means that extraneous matter may be present that does not materially

affect the appearance or eating quality of the product; that the product is practically free from carpel tissue; and that not more than a total of 5 percent, by weight, of the units may be damaged of which not more than 1 percent, by weight, of all the units may be seriously damaged: *Provided*, That extraneous matter, damaged and seriously damaged units, singly or in combination, do not materially affect the appearance or eating quality of the product.

(iii) Canned apples that are fairly free from defects may be given a score of 14 to 16 points. Canned apples that fall into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly free from defects" means that extraneous matter may be present that does not seriously affect the appearance or eating quality of the product; that the product is fairly free from carpel tissue; and that not more than a total of 15 percent, by weight, of the units may be damaged of which not more than 3 percent, by weight, of all the units may be seriously damaged: *Provided*, That extraneous matter, damaged and seriously damaged units, singly or in combination, do not seriously affect the appearance or eating quality of the product.

(iv) Canned apples that fail to meet the requirements of subdivision (iii) of this subparagraph may be given a score of 0 to 13 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

(4) *Character* (i) The factor of character refers to the texture of the slices and to the tendency to retain their conformation without material softening or disintegration.

(a) "Mushy apples" means slices or portions thereof that are a pulpy mass and of a consistency approximating applesauce.

(ii) Canned apples that possess a good character may be given a score of 34 to 40 points. "Good character" means that the slices possess a reasonably tender texture, and that not more than 5 percent of the drained weight of the product consists of mushy apples.

(iii) Canned apples that possess a fairly good character may be given a score of 28 to 33 points. Canned apples that fall into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly good character" means that the slices may be variable in texture, with not more than 15 percent of the drained weight of the product consisting of slices that are markedly hard, markedly soft, or mushy.

(iv) Canned apples that fail to meet the requirements of subdivision (iii) of this subparagraph may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

(g) *Tolerances for certification of officially drawn samples.* (1) When certifying samples that have been officially drawn and which represent a specific lot of canned apples, the grade for such lot will be determined by averaging the total scores of the containers comprising the sample, if, with respect to those factors which are scored:

(i) Not more than one-sixth of the containers fails to meet the grade indicated by the average of such total scores;

(ii) None of the containers falls more than 4 points below the minimum score for the grade indicated by the average of such total scores;

(iii) None of the containers falls more than one grade below the grade indicated by the average of such total scores;

(iv) The average score of all containers for any factor subject to a limiting rule is within the score range of that factor for the grade indicated by the average of the total scores of the containers comprising the sample; and

(2) All containers comprising the sample meet all applicable standards of quality promulgated under the Federal Food, Drug, and Cosmetic Act and in effect at the time of the aforesaid certification.

(h) *Score sheet for canned apples.*

Size and kind of container.....	-----
Container mark or identification.....	-----
Label.....	-----
Net weight (ounces).....	-----
Vacuum readings (in inches).....	-----
Drained weight (ounces).....	-----
<hr/>	
Factors	Score points
I. Color.....	20 { (A) 17-20 (C) 14-16 SStd 10-13 (A) 17-20 (C) 14-16 SStd 10-13
II. Uniformity of size.....	20 { (A) 17-20 (C) 14-16 SStd 10-13 (A) 17-20 (C) 14-16 SStd 10-13
III. Absence of defects.....	20 { (A) 17-20 (C) 14-16 SStd 10-13 (A) 17-20 (C) 14-16 SStd 10-13
IV. Character of fruit.....	40 { (A) 34-40 (C) 28-33 SStd 10-27
Total score.....	100
<hr/>	
Normal flavor and odor.....	-----
Grade.....	-----

¹ Indicates limiting rule.

Effective time and supersedure. The revised United States Standards for Grades of Canned Apples (which is the fourth issue) contained in this section will become effective thirty days after the date of publication of these standards in the FEDERAL REGISTER and will supersede the United States Standards for Grades of Canned Apples which have been in effect since November 1, 1943.

(Sec. 205, 60 Stat. 1090, Pub. Law 156, 83d Cong.; 7 U. S. C. 1624)

Issued at Washington, D. C., this 11th day of September 1953.

[SEAL] GEORGE A. DICE,
Acting Assistant Administrator
Production and Marketing
Administration.

[F. R. Doc. 53-8005; Filed, Sept. 15, 1953;
8:50 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade

[6th Gen. Rev. of Export Regs., Amdt. 63 ¹]

PART 372—PROVISIONS FOR INDIVIDUAL AND OTHER VALIDATED LICENSES

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

PART 376—PERIODIC REQUIREMENTS LICENSE

PART 377—TIME LIMIT (TL) LICENSE

PART 382—DENIAL OR SUSPENSION OF EXPORT PRIVILEGES

PART 398—PRIORITY RATINGS AND SUPPLY ASSISTANCE

MISCELLANEOUS AMENDMENTS

1. Section 372.1 *Applicability and general provisions* paragraph (c) *Representations in license applications; orders and evidence thereof; and record-keeping requirements* is amended in the following particulars:

The note following subparagraph (4) *Retention of documents* is amended to read as follows:

NOTE: The Office of International Trade may request either the originals of the documents constituting the evidence, or photostatic or other copies thereof. The time and manner of submission will be made known to the applicant at the time the request for submission is made. In accordance with § 372.9 (a), all documents submitted in connection with a license application must be identified clearly as a part of that application. Unless supporting documents are so identified they will not be accepted by the Office of International Trade.

The provisions of § 372.9 (d), requiring an explanation of terms and abbreviations and an English translation of documents in a foreign language, must be observed.

2. Section 372.3 *How to file an application for export license* is amended in the following particulars:

Item 15 of Note 2 *Preparation of Form IT-419 (Revised April 1952)* following paragraph (c) *Information required* is amended to read as follows:

Item 15. Application must be signed by applicant, or by an officer or duly authorized agent of the applicant. (If signed by agent of the applicant, title and firm name of agent must be shown.) The name of the applicant and the name and title of person who signs the application must also be typed or printed legibly in the space provided. Sign the original copy.

The applicant's signature on the application constitutes a certification by the applicant with respect to the license application, as set forth in item 15: A certification that any copies of documents submitted in lieu of originals in support of the application are true and correct copies of the originals; and a certification that the information contained in all documents submitted at any

¹This amendment was published in Current Export Bulletin No. 713, dated September 3, 1953, and in the reprint pages, dated September 3, 1953.

time in support of the application is true and correct to the best of his knowledge and belief.

3. Section 372.9 *Documents accompanying applications for validated licenses* is amended in the following particulars:

a. Paragraph (a) *Copies may be submitted* is amended to read as follows:

(a) *Copies may be submitted.* (1) Documents submitted in support of an application for an individual or other validated license will not be returned to the applicant or his agent, except when the application is returned without action. Accordingly, applicants need not submit original documents which they may subsequently require, but in lieu thereof, photostatic or other copies of an original document may be submitted. Individual certification of copies of original documents is not required by the Office of International Trade. By signing Form IT-419 the applicant certifies and represents that any copies of documents submitted with the application, or submitted in support of the application at any time before or after filing the application, are true copies of the original documents, and that the information contained in such documents is true, correct, and complete to the best of his knowledge and belief.

(2) Any document submitted in connection with a license application which is submitted separately from an application must be identified clearly as part of that application. Such document must be identified by a statement, signed by the applicant, that "this document is to be considered as a part of application number (give OIT case No.)" Unless documents filed separately from the license application are identified with the application in this manner, they will not be accepted by the Office of International Trade.

b. Paragraph (d) *Coded terms, foreign languages* is amended by deleting the word "certified" in the first sentence. The first sentence, as amended, reads as follows: "In the case of originals and copies of documents all abbreviations, coded terms, or other expressions having special significance in the trade or to the parties to the transaction must be explained."

4. Section 372.10 *Additional information* is amended by the addition of the following undesignated paragraph:

Any additional information submitted by an applicant in connection with a license application must be clearly identified as part of such application as provided in § 372.9 (a).

5. Section 372.11 *Issuance and use of export licenses* is amended in the following particulars:

a. Paragraph (a) *Issuance of license document* is amended by deleting the words: "except in the case of a project license" The paragraph, as amended, reads as follows:

(a) *Issuance of license document.* When an application for an export license is duly approved by the Department of Commerce, an export license is issued on a separate document (Form IT-628) authorizing, subject to the provisions of Parts 370 to 399 of this subchapter, and

to the terms and provisions of such license, the exportation of the quantity of those commodities described therein. (See §§ 372.3, 372.14, and 381.4 of this subchapter.)

The note following paragraph (a) is unchanged.

b. Note 2 *Validation of IT-628* following paragraph (b) *Unit-process licenses* is amended to read as follows:

2. *Validation of IT-628.* When an application for export license is approved the license will be issued in the following manner:

(a) Form IT-628 will be prepared, validated, and issued by the Department of Commerce upon approval of a license application for the exportation of commodities to any destination. The license will be validated and identified by a license number in the upper right corner of the document. The license number is composed of a letter and a series of numerals following the validating symbol; for example, AO-2-8-04051, or BO1031-33031. The digits immediately following the letter indicate the year, month, and day of validation; the last half of the number is the validating sequence. (AO-2-8 signifies a validating action in the year 1950 (O), in the month of February (2), on the eighth day of the month (8). BO1031 signifies a validating action in the year 1950, in the month of October, on the last day of the month.)

(b) The perforation stamp previously used for validating export licenses will continue to be used for validating attachments to licenses, such as lists of consignees, donors, donees, etc.

6. Section 373.1 *Export licensing general policy* paragraph (b) *Accepted orders: evidence and certification* is amended in the following particular: Item 3 *Originals and copies of documents* of the interpretation following paragraph (b) is amended to read as follows:

3. *Originals and copies of documents.* In accordance with § 372.9 (a) of this subchapter, applicants may submit copies in lieu of original documents. The Department of Commerce may demand the originals of any copies of documents submitted in support of applications. To clarify the terms of the contract, originals or copies of any other documents, such as letters of credit, may also be submitted. The provisions of § 372.9 (d) of this subchapter regarding explanation of abbreviations and terms, and English translation of documents in a foreign language, must be observed.

7. Section 373.5 *Exports to serialized mines, smelters and mineral prospecting operations abroad* is deleted.

8. Section 373.18 *Rice* is amended in the following particulars:

a. In subparagraph (1) of paragraph (b) *Licensing of exports to Far Eastern countries* the word "true" is deleted. The subparagraph, as amended, reads as follows: "(1) A copy of the sales contract with the foreign purchaser;"

b. Paragraph (d) *Licensing of exports to other countries and areas* is amended to read as follows:

(d) *Licensing of exports to other countries and areas.* Each application must be supported by (1) A copy of the sales contract with the foreign purchaser; (2) a copy of the letter of credit, or evidence of any other means of financing to be used; and (3) the import license number where an import license is required by the importing country.

The note following paragraph (d) is deleted.

9. Section 373.40 *Iron and steel* is amended in the following particulars:

a. A new paragraph (e) is added to read as follows:

(e) *Iron and steel scrap*—(1) *General.* A restrictive export quota has been established for the third and fourth quarters of 1953 for iron and steel scrap. Under this restrictive quota, exports will continue to be licensed to Mexico on the basis of its minimum essential requirements from the United States. In addition, some carefully screened license applications covering "off-shore" scrap may also be approved under this restrictive quota.

(2) *Requirements for Mexico.* License applications to export iron and steel scrap to Mexico must be accompanied by a statement from the foreign consignee containing the following information:

(i) Consignee's type of operation (whether mill, foundry, refinery, etc.)

(ii) Consignee's monthly ingot or casting production during the past year;

(iii) Amount of scrap consumed during the past year by quarters, broken down by the amount of Mexican scrap consumed, U. S. scrap consumed, and other foreign scrap consumed;

(iv) Anticipated production for the next six months;

(v) The total scrap required for the next six months, indicating the availability of Mexican and foreign scrap other than U. S. (give breakdown by country of origin) and

(vi) The total scrap inventory at the time the order covered by the application is placed with the supplier.

(3) *"Offshore" scrap.* License applications to export "offshore" scrap (scrap located in American possessions outside the continental United States) must be accompanied by—

(i) The name and address of the person who has the scrap in his possession.

(ii) A statement as to whether or not the scrap was originally owned by the United States Government and if so, the name of the person to whom the United States Government sold it as well as the United States Government contract number.

(iii) A statement as to whether the scrap is collected and ready for export.

(iv) The name and address where the material may be inspected.

In addition, if the scrap was collected by the applicant himself, a certification must be made by the applicant as to the ownership and as to the completion of the collection. If the scrap was not collected by the applicant himself, the application must be accompanied by a copy of the contract of sale to the applicant, or a statement showing the following items appearing on the contract: parties to the contract, date of contract, contract number or other identification number and quantity.

b. Paragraphs (e) *Time for submission of applications* and (f) *Applications in excess of quotas: refilling* are redesignated (f) and (g), respectively.

10. Section 373.41 *Nonferrous commodities, including ores, concentrates, or unrefined products* paragraph (d) *Cop-*

per and copper-base alloy scrap is amended to read as follows:

(d) *Aluminum scrap, copper and copper-base alloy scrap.* (1) Each application covering aluminum scrap, new and old, Schedule B No. 630050, and copper and copper-base alloy scrap, new and old, Schedule B Nos. 641300 and 644000, shall include in the commodity description the code specification of the National Association of Waste Material Dealers (NAWMD) applicable to each commodity.

(2) Additional applications for licenses to export copper scrap and copper-base alloy scrap (Schedule B Nos. 641300 and 644000) against third quarter, 1953, quotas will be considered between August 20, 1953, and September 20, 1953. Such applications must be accompanied by a statement in writing or by cable from the foreign buyer dated August 20, 1953, or later, affirming the order, or reaffirming the balance of the order in the case of resubmitted applications, on the same terms and conditions reflected in the application and in the import certifi-

cate or ultimate consignee's statement as originally submitted.

11. Section 373.65 *Ultimate consignee and purchaser statements* paragraph (a) *Scope* is amended in the following particular: Note 3 *Translation requirements* following subparagraph (8) *30-day grace period for Positive List additions* is amended to read as follows:

3. *Coded terms and translation requirements.* The provisions of § 372.9 (d) of this subchapter requiring an explanation of terms and abbreviations and an English translation of documents in a foreign language, must be observed. Exporters may provide their foreign customers with Form IT-842 and IT-843 translated into the foreign language of the customers. Copies of Form IT-842 and IT-843 in foreign languages will not be provided by the Office of International Trade. (See § 373.9.)

12. Section 373.71 *Supplement 1, Time schedules for submission of applications for licenses to export certain Positive List commodities* is amended by deleting the following entries and related submission dates:

a. For the Second and Third Quarters, 1953:

Dept. of Commerce Schedule B No.	Commodity	Submission dates	
		Second quarter 1953	Third quarter 1953
571500	Sulfur, ground, refined, sublimed and flowers.....	Mar. 1-Mar. 31, 1953..	
619152	Magnesium metal powder.....		
664647	Magnesium metal and alloys in crude form and scrap.	Apr. 6-Apr. 30, 1953...	July 1-July 15, 1953.
664649	Magnesium semifabricated forms, n. e. c.....		

with respect to applications for PRL licenses.

(e) *Historical trade pattern between exporters not a criterion.* The limitation on issuance of PRL licenses is not intended to restrict trade to any historic pattern with respect to the volume of trade or distribution between exporters. OIT will continue to issue individual licenses, and Blanket (BLT) licenses where applicable, for the export of commodities subject to the PRL procedure. Therefore, any exporter ineligible for a Periodic Requirements license by reason of paragraph (c) of this section may become eligible thereunder by experience developed through transactions in these commodities covered by other types of licenses.

(f) *Application for other validated license.* An exporter holding a Periodic Requirements license shall not apply for, nor will OIT issue, any other type of validated license except a Time Limit or Foreign Distribution license for any transaction involving a commodity and consignee covered by such PRL license, unless a parcel post shipment is to be made in accordance with § 372.2 (c) of this subchapter. (For other methods of clearing parcel post shipments, see § 379.1 (f) of this subchapter.)

NOTE: Exporters are advised not to apply for a PRL license to export commodities valued at less than \$1,000 per calendar quarter. Generally such applications will be rejected with a recommendation that another form of license application be used.

§ 376.2 *Certificate of Qualification for Periodic Requirements license.*—(a) *Certificate of qualification required.* No application for a Periodic Requirements license will be considered until a validated "Certificate of Qualification for Periodic Requirements (PRL) license," Form IT-888,¹ shall have been issued. Consequently, Form IT-419 should not be submitted with the documents specified in paragraph (b) of this section when application for a certificate of qualification is made. Applications on Form IT-419 for individual or BLT export licenses may be submitted while an application for certificate of qualification is pending, but such applications must bear the notation "Certificate of qualification pending" in the column headed "Commodity Description."

(b) *How to apply for certificate of qualification.* Each application for certificate of qualification shall comprise the following documents:

(1) Form IT-888 (in three copies)

(2) Form IT-821, Data of Past Participation in Exports Questionnaire (in two copies)¹ Both original forms shall be assembled together and both duplicate forms shall be assembled together. When approved or rejected, the triplicate Form IT-888 will be returned to the applicant with an indication of official action by OIT.

(c) *Preparation of documents.* The documents submitted by an applicant in connection with an application for a Certificate of Qualification shall be prepared in accordance with the following instructions:

¹ Filed as part of the original document.

b. For the Fourth Quarter, 1953:

Dept. of Commerce Schedule B No.	Commodity	Submission dates, fourth quarter 1953
605110	Standard rail.....	
603125		
618963	Plate.....	
618965		
604510		
605000	Structurals.....	June 1-June 30, 1953.
618961		
606210	Oil country tubulars.....	
through		
606260		
606270	Line pipe 16 inches O. D. and over.....	
606280		

13. Part 376, Periodic Requirements License, is amended to read as follows:

Sec.

376.1 Periodic Requirements license.

376.2 Certificate of qualification for Periodic Requirements license.

376.3 Application for Periodic Requirements license.

376.4 Issuance of Periodic Requirements license.

376.5 Amendment of license.

AUTHORITY: §§ 376.1 to 376.5 issued under sec. 3, 63 Stat. 7, as amended; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245; 3 CFR, 1945 Supp., E. O. 9919, Jan. 3, 1948, 13 F. R. 59; 3 CFR, 1948 Supp.

§ 376.1 *Periodic requirements license.*—(a) *General.* A procedure for a Periodic Requirements license (PRL) is hereby established. Under this procedure, a single application may be made to export commodities identified on the Positive List by the letter "E" in the column headed "Commodity Lists" to one or more named ultimate consignees at a named ultimate destination. The ap-

plication may cover as much as six-months' estimated requirements of the named consignees for the commodities included in the application.

(b) *Applicability of PRL procedure.* Applications under this procedure will not be considered for the exportation of commodities to Hong Kong, Macao, Subgroup A countries.

(c) *Established trade relationships.* A PRL license is issued to cover only U. S. export transactions between a U. S. exporter and one or more ultimate consignees who, with respect to that commodity, have an established trade experience with each other of at least two years' duration prior to the issuance of a Periodic Requirements license.

(d) *Waiver of order requirements.* In view of the limitations on the issuance of a Periodic Requirements license, OIT will permit application by an exporter for such a license in anticipation of future orders. The provisions of §§ 372.1 (e) and 373.1 (b) of this subchapter relating to orders are therefore waived

(1) *Form IT-888.* This form shall indicate:

(i) The name and address of applicant;

(ii) The person to whom advice of OIT action is to be mailed;

(iii) Schedule B number and processing code if the application covers a single entry on the Positive List. If application is made for a group of commodities in accordance with § 372.2 (c) of this subchapter, enter the processing code, related commodity group number, and a general description of the commodity, for example, "TRAN 6—Automotive Replacement Parts."

(2) *Form IT-821.* This form may include one or more countries and one or more commodities, and should be prepared as follows:

(i) The names and addresses of the consignees included must be shown in Item 4 (a). If more than one country is included, the consignees must be listed by country of ultimate destination, showing the country as a heading followed by the names and addresses of the consignees located in that country.

(ii) (a) If Form IT-821 covers all of the commodities which are included under a single related-commodity processing code and identified by an "E" on the Positive List, then such code designation should be indicated in Items 2 and 4 of Form IT-821. If the Form IT-821 covers one or more Schedule B numbers but not an entire code designation, the Schedule B number(s) should be listed in Item 2.

(b) The total quantity or value of the commodity shipped to each consignee during the two-year base period selected by the applicant (see § 376.1 (c)) must be shown in Item 4. If the application covers more than one commodity, show for each consignee the combined total quantity or value of all the commodities included.

(c) The total of the quantity or value information shown for the individual consignees within a single country should be entered opposite the country heading. In reporting exportations of petroleum products, the total may be supplied by country only.

(iii) If the application covers more than one Schedule B number, or covers an entire related-commodity group, the following statement must be typed or written in ink at the end of the last consignee entry: "Each ultimate consignee named herein participated during each year covered by this form in the importation from the undersigned of some of the commodities classified under each Schedule B number included under the list designated in Items 2 and 4 of this form," except as indicated below.

(Name of firm) did not participate in the importation of (Schedule B Numbers).

(d) *Notice of action.* (1) When the application for certificate of qualification is approved by OIT, a Form IT-888 will be validated, and the OIT reference number in the upper right-hand corner of the form will become the official certificate of qualification (CQ) number. An application for a PRL license(s) to export the commodities to consignee(s) listed

in the Form or Forms IT-821 may then be considered by OIT.

(2) When an application is approved subject to modifications by OIT, such stipulations will be indicated on the reverse side of Form IT-888.

(3) When an application is returned without action by OIT, reason(s) will be stated on the reverse side of Form IT-888.

(4) (i) When an application is rejected by OIT, the reason for such action will be shown on the reverse side of Form IT-888. The applicant may apply for individual validated licenses for transactions covered by the rejected CQ application.

(ii) The approval of an application does not imply continued approval. The OIT may withdraw an approval previously granted at any time it may consider it desirable to do so. Similarly, the granting of an approval for a stated period does not imply that future applications will be approved.

§ 376.3 *Application for Periodic Requirements License—(a) Submission date.* The Office of International Trade will endeavor to take action on all applications for PRL license within 15 days after receipt of the application by the OIT. However, to insure that the license, if approved, will be available for use when needed, applications should be filed about 30 days (but not more than 45 days) preceding the period for which the license is to be used.

(b) *Identification of PRL application.* When filing Form IT-419 for a PRL license, the applicant should identify it as such by inserting the CQ number in the column headed "Commodity Description," in the following manner: "Certificate of Qualification No. CQ ----"

(c) *How to prepare a PRL license application.* (1) An application for PRL license may include only one country of ultimate destination. More than one commodity may be included on a single application, provided the commodities are related commodities in accordance with § 372.2 (c) of this subchapter and are covered by a certificate of qualification. Exportations to more than one consignee within the same country of destination may be included in a single application, provided all of the consignees are covered by a certificate of qualification. If more than one consignee is covered, the applicant shall attach a list, in duplicate, of the names and addresses of the proposed consignees, and state in the ultimate consignee column, "See attached list of consignees."

(2) The quantity applied for should not exceed estimated six-months' requirements of the named consignees for the commodities included in the application.

(3) When making application for a PRL license for petroleum products, the total quantity and value for each commodity must be shown on the Form IT-419, and the quantity and value of each commodity to be exported to each designated ultimate consignee must be shown on the attached list of consignees.

(4) For all other commodities, the total quantity and value for each commodity must be shown, but a breakdown

of quantity and value among consignees is not required. If no unit of quantity is indicated in the Positive List for the particular Schedule B number(s) then only value need be given on the application.

(d) *Other application requirements.* Issuance of a certificate of qualification does not assure approval of any Periodic Requirements license for which application is made. PRL applications are subject to individual consideration by the Office of International Trade and must meet all the criteria of validated individual and blanket license applications with the exceptions noted in § 376.1 (d).

§ 376.4 *Issuance of periodic requirements license.* PRL licenses will be issued on Form IT-628 (export license document) and will bear the identifying words "Periodic Requirements License" below the validation stamp.

(a) *Validity period.* The validity period of a PRL license will be for a period of one year from issuance of the license and the effective dates of validity will be indicated on Form IT-628.

(b) *Presentation of licenses to customs.* The Periodic Requirements license shall be deposited with the collector of customs at the port of exit through which the greater portion of shipments thereunder will move. Upon request of the licensee, collectors may authorize movement of a portion of the commodity from another port in accordance with the procedures established in § 379.1 (a) (4) of this subchapter.

(c) *Effect of other provisions.* Except as modified by this part, all of the provisions of Parts 370 through 399 of this subchapter (Comprehensive Export Schedule) are applicable to any application for a Periodic Requirements license and any license issued pursuant thereto.

§ 376.5 *Amendment of license—(a) Amendment of quantity.* If the amount licensed under a PRL license proves insufficient to meet an exporter's requirements for any country, he may request an increase in the quantity authorized for export under such license. This should be done by requesting amendments of the appropriate Periodic Requirements license on Form IT-763, in accordance with the provisions of § 380.2 of this subchapter.

(b) *Extension of validity period.* Generally, extension of the validity period of a Periodic Requirements license will not be granted where such license is valid for one year. Consideration will be given, however, to requests for extension of outstanding PRL licenses which were issued for validity periods of six months.

14. Section 377.4 *Reexportation* is amended to read as follows:

§ 377.4 *Reexportation.* (a) Reexportation may be made between ultimate consignees named on outstanding Time Limit (TL) licenses, issued to the same licensee, without the necessity of obtaining specific approval from the Office of International Trade. Approval for reexportation to other importers in Country Group O may be obtained in

accordance with the procedure described below

(b) Requests for reexportation approval may be made either with the license application or subsequent to the issuance of the license. In order to obtain such approval, Form IT-917 Request for and Notice of Approval for Reexportation in triplicate, shall be submitted to the Office of International Trade. Items 1 through 9 of the form may be completed by the U S exporter who shall then transmit the Forms IT-917 to his foreign consignee for completion of item 10 and for any other information on the form not completed by the U S exporter. The Office of International Trade will approve or deny the request by completing the bottom portion of one copy of the form and return it to the U S exporter. Reexportation requests if approved will be continuing until rescinded by the Office of International Trade.

This part of the amendment shall become effective as of September 3, 1953 and Form IT-917 may be used beginning on that date; however letters of request will be accepted until October 3, 1953.

15 Section 382.51 Table of compliance orders currently in effect denying export privileges paragraph (b) Table of compliance orders is amended in the following particulars:

a The following entries are added:

Name and address	Effective date of order	Expiration date of order	Export privileges affected	Federal Register citation
Allen Textile Co., 15 W 38th St., New York, N Y	7-31-53	8-31-53 (7-31-54) 1	General and validated licenses all commodities, any destination; also exports to Canada	18 F. R. 4607, 8-5-53
Asiatic Export Co., 15 W 38th St New York, N Y	7-31-53	8-31-53 (7-31-54) 1	do	18 F. R. 4607, 8-5-53
Asiatic Export Co. of Canada, Ltd., Toronto Canada	7-31-53	8-31-53 (7-31-54) 1	General and validated licenses all commodities any destination.	18 F. R. 4607, 8-5-53
Essex Mills, Inc., 343 Fifth Ave., New York, N Y	7-31-53	8-31-53 (7-31-54) 1	General and validated licenses all commodities, any destination; also exports to Canada	18 F. R. 4607, 8-5-53
Eurasia Corp., Eurasia Import Co., 15 W, 38th St New York N Y.	7-31-53	8-31-53 (7-31-54) 1	do	18 F. R. 4607, 8-5-53
Goldberg, Charles, Goldberg, Rubin, 15 W 38th St., New York N Y.	7-31-53	8-31-53 (7-31-54) 1	do	18 F. R. 4607, 8-5-53
Infra American Steel Co., 15 W 38th St., New York, N Y.	7-31-53	8-31-53 (7-31-54) 1	do	18 F. R. 4607, 8-5-53
Jacob, Ernest L., 88 Fort Washington Ave., New York, N Y	7-31-53	4-31-54 (7-31-55) 1	do	18 F. R. 4607, 8-5-53
Soto, Wai Man Hong Kong	8-6-53	Plus 6 months from date or order served on Soto	do	18 F. R. 4761, 8-11-53

1 This is the expiration date of a period of suspension held in abeyance See explanation in § 382.51 (a) (1) of this subchapter.

b The following entries are deleted:

Name and address	Effective date of order	Expiration date of order	Export privileges affected	Federal Register citation
Arctinea C., P. O. Box 931, Calico, Calif., and 170 Calle Azueta, Mexico B C Mexico	7-17-53	Until completion of administrative compliance proceedings	General and validated licenses, all commodities, any destination; also exports to Canada	18 F. R. 4360, 7-24-53, 18 F. R. 4630, 8-6-53
Atlantic & Pacific Wire and Cable Co., Inc., 112-01 Northern Blvd., East Elmhurst Long Island N Y	7-17-53	7-17-54	General and validated licenses all commodities any destination	18 F. R. 4345, 7-25-53, 18 F. R. 4339, 8-13-53

1 Form IT-917 may be obtained at all Department of Commerce Field Offices from the Office of International Trade Department of Commerce Washington 25 D C, and from U S consulates embassies and other posts in Group O countries

Name and address	Effective date of order	Expiration date of order	Export privileges affected	Federal Register citation
Cacheco, Edward, Jr, Chrysler Bldg., 405 Lexington Ave New York, N Y	8-15-51	8-14-53	do	16 F. R. 8297, 8-21-51
Edelman, M. H., 405 Lexington Ave, New York, N Y	8-15-51	8-14-53	do	16 F. R. 8297, 8-21-51
Laradi, Vincenz, 814 Cortlandt Ave Bronx, N Y	7-17-53	4-17-54	do	18 F. R. 4345, 7-23-53
Obler, Martin, 112-01 Northern Blvd East Elmhurst Long Island N Y	7-17-53	7-17-54	do	18 F. R. 4345, 8-6-53
Rubin, Irving, 112-01 Northern Blvd, East Elmhurst, Long Island N Y	7-17-53	7-17-54	do	18 F. R. 4345, 8-13-53
Westheimer, Sidney, 483 E Beach St., Long Beach, N Y	5-21-52	5-21-53 (8-21-53) 1	do	18 F. R. 4339, 7-23-53
Wiederkehr, Dr. Alphonse, Talstrasse 16 Zurich Switzerland	3-25-52	8-30-53	General and validated licenses, all commodities, any destination; also exports to Canada	17 F. R. 4826, 6-27-52, 17 F. R. 2000, 4-3-52

1 This is the expiration date of a period of suspension held in abeyance See explanation in § 382.51 (a) (1)

c Certain entries presently in the table are modified to read as follows:

Name and address	Effective date of order	Expiration date of order	Export privileges affected	Federal Register citation
Benevente y Archilegas S de R L, 170 Calle Azueta Mexico B C Mexico	7-24-53	10-24-53	General licenses, all commodities, any destination. Validated licenses, all commodities any destination	18 F. R. 2662, 6-22-53, 18 F. R. 4360, 7-24-53
Benevente-Acosta, Rafael (also uses the following names: Rafael or Ray Benevente or Bene ventes), P O Box 931, Calico, Calif., and 170 Calle Azueta, Mexico B C Mexico	7-24-53	10-24-53	General licenses, all commodities, any destination. Validated licenses, all commodities any destination	18 F. R. 2662, 6-22-53, 18 F. R. 4360, 7-24-53
Hidalgo, Boifca, 170 Calle Azueta, Mexico B C Mexico	7-24-53	10-24-53	General licenses, all commodities, any destination. Validated licenses, all commodities any destination	18 F. R. 2662, 6-22-53, 18 F. R. 4360, 7-24-53

1 This is the expiration date of a period of suspension held in abeyance See explanation in § 382.51 (a) (1)

16 Section 398.1 DO (priority) ratings and allotment symbols (CMP) for foreign aircraft is amended to read as follows:

§ 398.1 DO (priority) ratings and allotment symbols (DMS) for MRO supplies for foreign civil air carrier aircraft

(a) Delegation of authority (1) The Civil Aeronautics Administration has delegated to the Office of International Trade, Department of Commerce the right to assign DO ratings on purchase orders for maintenance repair, and operating supplies (MRO) and supporting navigational aids for commercial transport aircraft of civil air carriers registered in foreign countries other than those listed in § 398.52. This rating authority will be exercised in accordance with a program established by the National Production Authority and limited in total dollar value for each calendar quarter.

(2) The Office of International Trade is further authorized to assign allotment symbols for the procurement of controlled materials (see § 398.51), for commercial transport aircraft of civil air carriers registered in foreign countries other than those listed in § 398.52.

(b) *Programs.* (1) The Office of International Trade will consider requests under the Civil Air Carrier Program for Foreign Aircraft for the assignment of:

(i) Allotment symbols for the procurement of controlled materials, and

(ii) DO ratings for commodities other than controlled materials.

(2) When such requests are approved, OIT will assign the appropriate allotment symbol or rating, using the following Department of Defense program identification symbols:

(i) A-1 Aircraft Program.

(ii) A-7 Electronics and Communications Equipment Program.

(iii) B-9 Production Equipment Program.

(iv) C-9 Miscellaneous Program.

(c) *Ratings not assigned by OIT.* Requests for DO ratings or allotment symbols on purchase orders for delivery of maintenance, repair and operating supplies and supporting navigational aids to foreign civil air carriers registered in any of the countries listed in § 398.52 shall be submitted to the Office of Aviation Defense Requirements, W 30, Civil Aeronautics Administration, Temporary Building T-4, Washington 25, D. C.

(d) *Submission of request for assignment of DO ratings or allotment symbols.* Requests to the Office of International Trade to assign DO ratings or allotment symbols to purchase orders shall be by letter, addressed to the Producers' Equipment Division, Office of International Trade, Department of Commerce, Washington 25, D. C. The following information and documents must be attached to the letter:

(1) Duplicate copies of the purchase order or bill of materials containing the following information:

(i) The name of the foreign airline for which materials are required;

(ii) The supplier's name;

(iii) Purchase order number of the air carrier;

(iv) Total dollar value; and

(v) End delivery date.

(2) A statement that the supplier will not deliver the material without a DO rating or allotment symbol and that the air carrier cannot obtain the material from any other source.

(3) In the case of commodities other than controlled materials, a statement as to whether any of the material covered by the order requires a validated export license from either the Department of State or the Department of Commerce (see § 370.4 of this subchapter). If a license is required from the Department of Commerce, submit either Form IT-419, or the OIT case number or export license number; if from the Department of State, furnish the license application number or the export license number.

(4) (i) In the case of controlled materials, the request for allotment symbol must be submitted simultaneously with the application for export license, Form IT-419, when a license is required under the export control regulations.

(ii) In cases when an exporter desires to make shipment of a controlled material not requiring an individual export license (under General Licenses GLIV,

GO or GRO) the request for the allotment symbol shall specify the net weight type of controlled material, and Schedule B number.

(iii) Suppliers may also request DO ratings or allotment symbols on behalf of the air carrier or its representative by submitting the above information. In such case, the supplier must notify the air carrier or its representative, in writing, that a request for DO rating or allotment symbol has been made and send a copy of such notification to the Producers' Equipment Division, Office of International Trade, Department of Commerce, Washington 25, D. C.

17. Sections 398.2 *Serial numbers for mines, smelters and mineral processing plants abroad* and 398.3 *DO-MRO priority ratings for maintenance, repair, and operating supplies for export* are deleted.

18. Section 398.4 *Special supply assistance for essential export requirements* is amended to read as follows:

§ 398.4 *Supply assistance for foreign direct defense uses—(a) Establishment of procedures.* A procedure is established whereby exporters may request "spot" supply assistance on materials required in friendly foreign countries other than Canada to fill direct defense needs.

(b) *Essentiality of end use.* Requests for supply assistance submitted under this section will be considered for approval only if the end-use of the material to be exported is for direct defense purposes, that is, to be used for military production of the free world or direct support for the expansion or improvement of the military production of the free world.

(c) *Submission of requests; copies.* Requests for supply assistance submitted under this section shall be made on Form IT-835. Requests submitted to the Office of International Trade shall be submitted in quadruplicate; two copies shall be signed by the applicant. Requests covering a proposed exportation for which a validated license is required must include a license application prepared in accordance with Parts 370 through 399 of this subchapter unless a license application has been submitted already or an export license is outstanding covering the exportation. (For requests submitted to the Office of International Trade the request shall be accompanied by the license application; for requests submitted to the Foreign Operations Administration, the applicant shall submit the license application to the Office of International Trade at the same time he submits the request to FOA.)

Note: Requests submitted to the Foreign Operations Administration for special supply assistance described in this section shall be made on Form IT-835; nine copies should be submitted, two copies of which should be signed.

(d) *Where to submit requests.* (1) Where the exportation is to be made to a foreign country other than a country listed in § 398.52, the request for supply assistance should be addressed to the Office of International Trade, Department of Commerce, Washington 25, D. C..

(i) Where the request is submitted directly to the Office of International Trade

by the exporter, it should be addressed to the attention of the licensing division responsible for the commodity on which supply assistance is requested; in case the exportation is to a project or program covered by an outstanding project license, to the attention of the Projects and Technical Data Division or the Petroleum Division. If the responsible licensing division is unknown, requests may be addressed to the attention of the processing code for such commodities. (Processing codes for all commodities are set forth in § 399.3, Appendix C of this subchapter.)

(ii) Where the request is submitted to the Office of International Trade through a representative of the foreign government or agency thereof, the request should be addressed to the attention of the geographic division having responsibility for the foreign country in question.

(2) Where the exportation is to be made to a country for which the Foreign Operations Administration is claimant agency (listed in § 398.52) the request for supply assistance should be submitted through the Washington mission of the country of destination to the Foreign Operations Administration, Washington 25, D. C.

(3) Where the exportation is to be made to Canada, the request for supply assistance should be submitted through the Priorities Division, Department of Defense Production, Ottawa, Canada, to the National Production Authority, Department of Commerce, Washington 25, D. C. (Ref. NPA Reg. 3) in accordance with National Production Authority Regulation 3.

(e) *Action by the Office of International Trade.* (1) Cases covering controlled materials (see § 398.51), including nickel-bearing stainless steel, which the Office of International Trade, or the Foreign Operations Administration (formerly MSA) (where the request is submitted to FOA) decides merit supply assistance, will be approved through authorization issued to the applicant by the Office of International Trade, directly on the face of the export license, permitting him to use the allotment symbol C-6 to procure the materials covered by the license.

(2) Cases covering all other materials which the Office of International Trade believes merit supply assistance will be transmitted to the National Production Authority for final action. On cases approved by NPA, that agency will usually issue directly to the applicant, or his supplier, the right to use the priority rating DO-C-6 to procure the material covered by the Form IT-835.

19. Section 398.5 *DMS: Export allocations and procedures* paragraph (b) *Procedures governing applications to export nickel-bearing stainless steel materials* is amended in the following particulars:

a. The parenthetical reference at the end of subparagraph (1) *How and when to apply for export licenses* is amended to read as follows: "(See subparagraph (4) of this paragraph, and paragraph (c) of this section for exceptions to established time schedules)"

b. The following parenthetical reference is added at the end of subdivision

(1) of subparagraph (2) *Assignment of allotment symbols*: "(See § 398.4 for use of the C-6 allotment symbol to procure materials other than nickel-bearing stainless steel)"

20. Sections 398.7 *Supply assistance for foreign mining operations: MRO and capital additions* and 398.9 *Supply assistance for large foreign enterprises* are deleted.

21. Section 398.51 *Supplement 1. Items included in Schedule II of NPA Order M-46A* is deleted and a new § 398.51 is added to read as follows:

§ 398.51 *Supplement 1.*

CONTROLLED MATERIALS¹. (SCHEDULE I TO DMS REGULATION No. 1)

CARBON STEEL (INCLUDING WROUGHT IRON²)

(a) Bar, bar shapes.

Includes:

Bar, hot-rolled, stock for projectile and shell bodies.³
Bar, hot-rolled, other (including light shapes).
Bar, reinforcing (straight lengths—as rolled).
Bar, cold-finished.

(b) Sheet, strip (uncoated and coated).

Includes:

Sheet, hot-rolled.
Sheet, cold-rolled.
Sheet, galvanized.
Sheet, all other coated.
Sheet, enameling.
Roofing, galvanized, corrugated, V-cripped channel drains.
Ridge roll, valley, and flashing.
Siding, corrugated and brick.
Strip, hot-rolled.
Strip, cold-rolled.
Strip, galvanized.
Electrical sheet and strip.
Tin mill black plate.
Tin plate, hot-dipped.
Ternes, special coated manufacturing.
Tin plate, electrolytic.

(c) Plate.⁴

(d) Structural shapes,⁵ piling.

¹ "Controlled material" means domestic and imported steel, copper, and aluminum, in the forms and shapes indicated above, whether new, remelted, rerolled or redrawn.

² For the purpose of this schedule "carbon steel (including wrought iron)" means any steel customarily so classified and also includes: (1) Ingot iron; (2) all grades of electrical sheet and strip; (3) low-alloy, high-strength steels; and (4) clad and coated carbon steels not included with alloy steels; e. g., galvanized tin, terne, copper (excluding copper wire mill products) or aluminum clad and/or coated carbon steels). "Low-alloy, high-strength steels" means only the proprietary grades promoted and sold for this purpose.

³ Includes projectile body stock, sizes under 2½ inches and component parts, all sizes.

⁴ Carbon plates not only include the following minimum size specifications, but also floor plates of any thickness: 0.180 inch or thicker, over 48 inches wide; 0.230 inch or thicker, over 6 inches wide; 7.53 pounds per square foot or heavier, over 48 inches wide; 9.62 pounds per square foot or heavier, over 6 inches wide.

⁵ "Structural shapes" means rolled flanged sections having at least one dimension of their cross section 3 inches or greater, commonly referred to as angles, channels, beams, and wide flange sections.

(e) Pipe, tubing.⁶

Includes:

Standard pipe (including type or couplings furnished by mill).⁷
Oil country goods (casings, tubular goods, type of couplings furnished by mill).
Line pipe (including type of couplings furnished by mill).
Pressure tubing—seamless and welded.
Mechanical tubing—seamless and welded.

(f) Wire, wire products.

Includes:

Wire—drawn.
Nails—bright steel wire, steel cut, galvanized, cement-coated, and painted.
Spikes and brads—steel wire, galvanized, and cement-coated.
Staples, bright and galvanized (farm and poultry).
Wire rope and strand.
Welded wire mesh and woven wire netting.
Barbed and twisted wire.
Wire fence, woven and welded (farm and poultry).
Bales ties.
Coiled automatic baler wire.

(g) Tool steel (including die blocks and tool steel forgings).

(h) Other mill forms and products (not including forgings except for wheels).

Includes:

Ingots.
Billets, shell quality for body stock only.⁸
Billets, shell quality for component parts and rockets.
Blooms, slabs, other billets, tube rounds, sheet bars.
Skelp.
Wire rod.
Ralls.
Joint bars (track).
Tie plates (track).
Track spikes.
Wheels, rolled or forged (railroad).
Axles (railroad).

(i) Castings (not including cast iron).

ALLOY STEEL⁹ (EXCEPT STAINLESS STEEL¹⁰)

(a) Bar, bar shapes.

Includes:

Bar, hot-rolled projectile and shell quality.
Bar, hot-rolled, other (including light shapes).
Bar, cold-finished.

⁶ Steel pipe or tubing exceeding 36 inches O. D. is not a controlled material, but is a Class A product.

⁷ Standard pipe includes the following:

Ammonia pipe.
Bedstead tubing.
Driven well pipe.
Drive pipe.
Dry kiln pipe.
Dry pipe for locomotives.
English gas and steam pipe.
Furniture pipe.
Ice machine pipe.
Mechanical service pipe.
Nipple pipe.
Pipe for piling.
Pipe for plating and enameling.
Pump pipe.
Signal pipe.
Standard pipe coupling.
Structural pipe.
Turbine pump pipe.
Water main pipe.
Water well casing.
Water well reamed and drifted pipe.

(b) Sheet, strip.

Includes:

Sheet, hot-rolled.
Sheet, cold-rolled.
Sheet, galvanized.
Strip, hot-rolled.
Strip, cold-rolled.

(c) Plates.¹¹

Includes:

Rolled armor.
Other.

(d) Structural shapes.

(e) Pipe, tubing.⁶

Includes:

Oil-country goods.
Pressure tubing—seamless and welded.
Mechanical tubing—seamless and welded.

(f) Wire.

(g) Tool steel (including die blocks and tool steel forgings).

(h) Other mill forms and products (not including forgings except for wheels).

Includes:

Ingots.
Billets, projectile and shell quality.
Blooms, slabs, other billets, tube rounds, sheet bars.
Wire rods.
Ralls.
Wheels, rolled or forged (railroad).
Axles (railroad).

(i) Castings.

NICKEL-BEARING STAINLESS STEEL¹²

(a) Seamless tubing.⁶

(b) Other mill forms and products (not including forgings).

Includes:

Bar, bar shapes (including light shapes).
Includes:
Bar, hot-rolled (including light shapes).
Bar, cold-finished.
Sheet, strip.
Includes:
Sheet hot-rolled.
Sheet, cold-rolled.
Strip, hot-rolled.
Strip, cold-rolled.

⁸ Includes only projectile body stock, sizes 2½ inches and larger, rounds, and round-cornered squares.

⁹ For purposes of this schedule "alloy steel" means steel containing 50 percent or more of iron or steel and any one or more of the following elements in the following amounts: Manganese, maximum of range in excess of 1.65 percent; silicon, maximum of range in excess of 0.60 percent (excepting electrical sheet and strip); copper, maximum of range in excess of 0.60 percent; aluminum, boron, chromium, cobalt, columbium, molybdenum, nickel, tantalum, titanium, tungsten, vanadium, zirconium, or any other alloying elements in any amount specified or known to have been added to obtain a desired alloying effect. Clad steels which have an alloy steel base or carbon steel for which nickel and/or chromium is contained in the coating or cladding material (e. g., inconel, monel, or stainless) are alloy steels.

¹⁰ "Stainless steel" means heat- and corrosion-resisting steel containing 50 percent or more of iron or steel and 10 percent or more of chromium whether with or without nickel, molybdenum, or other elements. However, stainless steel containing less than 1 percent nickel is not a controlled material, nor is it a Class A or Class B product.

¹¹ Alloy steel plates include the following size specifications: 0.180 inch or thicker, over 48 inches wide; 0.230 inch or thicker, over 12 inches wide; 7.53 pounds per square foot or heavier, over 48 inches wide; 9.62 pounds per square foot or heavier, over 12 inches wide.

¹² Nickel-bearing stainless steel means a stainless steel containing 1 percent or more of nickel.

TITLE 22—FOREIGN RELATIONS

Chapter II—Foreign Operations Administration

[FOA Reg. 1 (as issued Aug. 1, 1953). Amdt. 1]

PART 201—PROCEDURE FOR FURNISHING ASSISTANCE TO PARTICIPATING COUNTRIES

MARKING REQUIREMENTS

FOA Regulation 1 is amended in the following respects:

Section 201.13 is amended to read as follows:

§ 201.13 *Marking requirements.* (a) All commodities, and their shipping containers, furnished to participating countries under FOA-financing (whether from the U. S. or other source country) must carry the official FOA emblem designed for the purpose. This identification may be affixed by metal plate, decalcomania, stencil, label, tag, or other means, depending upon the type of commodity or shipping container and the nature of the surface to be marked. The emblems placed on the commodities should be approximately as durable as the goods themselves; the emblems on the shipping containers must be legible until they reach the point of destination.

(b) (1) The size of the emblem may vary depending upon the size of the commodity, package or shipping container to be marked, but should be large enough to be clearly visible at a reasonable distance; wherever possible, the height of the emblem on the shipping container should be at least twice the height of the lettering used in the shipper's marks. In addition, the shipping container will indicate clearly the last four digits of the FOA procurement authorization number and the name of the participating country, in characters at least equal in height to the shipper's marks.

(2) The emblem will appear in the colors shown on the samples available in the Office of Public Reports, Foreign Operations Administration, Washington 25, D. C.

(c) Raw materials (including grain, coal, petroleum oil and lubricants) shipped in bulk, and semi-finished products which are not packaged or crated are, to the extent compliance is impracticable, excepted from these marking requirements.

(d) If compliance with the provisions of this section is found to be impracticable with respect to other commodities, the participating country or supplier will promptly request the Office of Public Reports, Foreign Operations Administration, Washington 25, D. C., for an exception from these requirements.

(Sec. 502, 65 Stat. 378; 22 U. S. C. 1653)

WILLIAM M. RAND,
Deputy Director

Foreign Operations Administration.

[F. R. Doc. 53-7984; Filed, Sept. 15, 1953; 8:45 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter B—Claims and Accounts

PART 536—CLAIMS AGAINST THE UNITED STATES

CLAIMS OF MILITARY PERSONNEL AND CIVILIAN EMPLOYEES

Section 536.27 is revoked and the following substituted therefor:

§ 536.27 *Claims of military personnel and civilian employees for property damaged, lost, destroyed, captured, or abandoned incident to their service.*—(a) *Application.* Claims within the scope of the Military Personnel Claims Act of 1945, as amended, and this section, and which otherwise would be within the provisions of §§ 536.12 to 536.23, 536.25, 536.26, 536.29, and 536.45 will be processed under this section.

(b) *Claims payable.*—(1) *General.* Any claim falling within the statutory provisions of the Military Personnel Claims Act of 1945, as amended, not hereinafter excluded, may be submitted for consideration and in proper cases approved for payment in an amount not to exceed \$2,500.

(2) *Examples.* Examples of the more common types of claims payable under this section when damage, loss, destruction, capture, or abandonment of personal property occurs incident to the service are as follows:

(i) *Property located at quarters or other authorized places.* Where property is damaged or destroyed by fire, flood, hurricane, or other serious occurrence, while located at:

(a) Quarters wherever situated, occupied by the claimant, which were assigned to him, or otherwise provided in kind, by the Government; or

(b) Quarters not within continental United States, occupied by the claimant, but not assigned to him or otherwise provided in kind by the Government. However, where the claimant, if a civilian employee, is a local inhabitant or a national of a country other than the United States, the claim is not payable. For the purposes of this section, Alaska is deemed to be not within the continental United States.

(c) Any warehouse, office, hospital, baggage dump, or other place (except quarters) (subdivisions (a) and (b) of this subparagraph) designated by competent authority for the reception of the property.

(ii) *Transportation losses.* Where property, including baggage checked or in personal custody, is damaged, lost, or destroyed incident to transportation by a carrier, an agent or agency of the Government, or private conveyance:

(a) When shipped under orders; or

(b) In connection with travel under orders; or

(c) In connection with travel in performance of military duty with or without troops.

Such claims may be approved only to the extent of the weight limit of the claimant's regulation allowance of baggage permitted under Joint Travel Regulations.

Plate.²²

Structural shapes.⁵

Tubing (except seamless).⁶

Wire, wire products.

Includes:

Wire, drawn.

Wire rope and strand.

Welded wire mesh and woven wire netting.

Ingots, blooms, billets, tube rounds, sheet bars, wire rods.

(c) Casting.¹⁴

COPPER AND COPPER-BASE ALLOY BRASS MILL PRODUCTS¹⁵

Copper (unalloyed)

(a) Bar, rod, shapes, wire (except electrical wire).

(b) Sheet, strip, plate, rolls.

(c) Pipe, tubing (seamless).

Copper-base alloy:¹⁶

(d) Bar, rod, wire, shapes.

(e) Sheet, strip, plate, rolls, military ammunition cups and discs.

(f) Pipe, tubing (seamless).

COPPER WIRE MILL PRODUCTS

All copper wire and cable for electrical conduction, including but not limited to:

Bare and tinned.

Weatherproofed.

Magnet wire.

Insulated building wire.

Paper and lead power cable.

Paper and lead telephone cable.

Asbestos cable.

Portable and flexible cord and cable.

Communication wire and cable.

Shipboard cable.

Automotive and aircraft wire and cable.

Insulated power cable.

Signal and control cable.

Coaxial cable.

Copper-clad steel wire containing over 20 percent copper by weight regardless of end use.

22. Section 398.52 *Supplement 2: Items specifically excluded from Order M-79 is deleted.*

23. The headnote for § 398.53 is re-titled as follows: "§ 398.53 *Supplement 3: Countries for which the Foreign Operations Administration is the claimant agency.*" The remainder of the section is unchanged.

This amendment shall become effective as of September 3, 1953.

(Sec. 3, 63 Stat. 7, as amended; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp., E. O. 9919, Jan 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director

Office of International Trade.

[F. R. Doc. 53-7970; Filed, Sept. 15, 1953; 8:48 a. m.]

⁵ See footnote on p. 5534.

⁶ See footnote on p. 5534.

²² Nickel-bearing stainless steel plates include the following size specifications: $\frac{3}{16}$ inch (0.1875) or thicker, over 10 inches wide.

¹⁴ "Nickel-bearing stainless steel castings" means any steel casting which is heat-corrosion- or abrasion-resistant, containing 50 percent or more of iron and 8 percent or more of chromium with 1 percent or more of nickel, with or without molybdenum or other alloying elements.

¹⁵ Includes anodes—rolled, forged, or sheared from cathodes.

¹⁶ "Copper-base alloy" means any alloy in the composition of which the percentage of copper metal equals or exceeds 40 percent by weight of the metallic content of the alloy. It does not include alloyed gold produced in accordance with U. S. Commercial Standard CS 67-38.

(iii) *Marine or aircraft disaster* Where property is damaged, lost, destroyed, or abandoned in consequence of perils of the sea or air.

(iv) *Enemy action or public service.* Where property is damaged, lost, destroyed, captured, or abandoned as a result of enemy action or threat thereof, combat or activities incident thereto, belligerent activities or unjust confiscation by a foreign power or its nationals, civil disturbances, public disasters or disorders, or the saving of Government property or human life.

(v) *Money.* When personal funds of personnel are accepted by personnel acting with authority of the unit or detachment commanding officer for safekeeping, soldiers' deposit, transmission by personal transfer account, purchase of United States war savings bonds or postal money order, or conversion into military payment order, Government check, or another kind of currency, and such personal funds are neither applied as directed by the owner nor returned to him, such losses are reimbursable when established by satisfactory evidence.

(c) *Claims not payable.* Claims otherwise within the scope of paragraph (b) of this section nevertheless are not payable under this section (see §§ 536.12 to 536.23, 536.25, 536.26, 536.29, and 536.45) when the damage, loss, destruction, capture, or abandonment incident to the service involves any of the following:

(1) *Clothing being worn.* Clothing being worn except in any of the circumstances set out in the examples of claims payable (paragraph (b) (2) of this section)

(2) *Unserviceable property.* Worn-out or unserviceable property.

(3) *War trophies and gifts.* War trophies or articles intended directly or indirectly for persons other than the claimant and members of his immediate family, such as articles acquired to be disposed of as gifts or for sale.

(4) *Precious articles.* Claims for precious jewels and other precious articles of extraordinary value.

(5) *Intangible property.* Choses-in-action, or evidence thereof, such as checks, promissory notes, stock certificates, bonds, bills of lading, warehouse receipts, baggage checks, insurance policies, money orders, travelers' checks, bank books, and bank accounts.

(6) *Government property.* Property owned by the United States, except such property for which the claimant is responsible to an agency of the Government other than the Department of the Army or the Army, or to the Department of Defense, if claimant is a civilian employee thereof.

(7) *Motor vehicles.* Claims for motor vehicles will not be paid unless occurring in the circumstances described in paragraph (b) (2) (iv) of this section or when shipped under orders or on a space-available basis in connection with travel under orders. See §§ 536.12 to 536.23 and 536.29.

(8) *Thefts.* Unless arising under the example in paragraph (b) (2) (i) (c) of this section or unless occurring in circumstances of combat service or pub-

lic disaster, or while serving in foreign countries under conditions of a clearly greater than usual risk of theft and all reasonable precaution for the protection of personal property has been invoked.

(9) *Enemy property.* Property of civilian employees who are nationals of a country at war with or engaged in armed conflict against the United States, or of any ally of such enemy country except as it is determined that the claimant is friendly and at the time of loss was friendly to the United States; and the property of prisoners of war detained or enemy aliens interned by the United States or its allies.

(10) *Losses of subrogees.* Losses of insurers and other subrogees.

(11) *Losses recoverable from insurer* Losses, or any portion thereof, which have been recovered or are recoverable from an insurer.

(12) *Losses recoverable from carrier* Losses, or any portion thereof, which have been recovered or are recoverable from a carrier.

(13) *Contractual coverage.* Losses, or any portions thereof, which have been recovered or are recoverable pursuant to contract.

(14) *Losses in quarters.* Losses occurring at quarters occupied by the claimant within the continental United States (excluding Alaska) which are not assigned to him, or otherwise provided in kind, by the Government.

(15) *Negligence of claimant.* Where the damage to or loss, destruction, capture, or abandonment of property was caused in whole or in part by any negligence or wrongful act on the part of the claimant, or his agent or employee acting within the scope of his employment.

(16) *Violation of directives.* No allowance will be made for any item where the evidence indicates that the acquisition, possession, or transportation thereof was in violation of Army, theater, or command directives.

(d) *Type and quantity of property.* Claims are payable under this section only for such types and quantities or amounts of tangible personal property including money, as shall be determined by the approving authority to be reasonable, useful, necessary, or proper in the attendant circumstances. Among such items of personal property is property required by law or regulations to be possessed or used by military personnel or civilian employees of the Department of the Army or of the Army incident to their service. Claims which otherwise are within this section will not be disapproved for the sole reason that the property was not in the possession of the claimant at the time of the damage, loss, destruction, capture, or abandonment, or for the sole reason that the claimant was not the legal owner of the property in relation to which the claim is made; for example, property may be the subject of a claim even though borrowed from others.

(e) *Expensive articles and articles acquired by barter* Allowance for expensive articles or for items purchased at unreasonably high prices will be based upon fair and reasonable prices for substitute articles of a similar type. Allow-

ance for articles acquired by barter will not exceed the cost of the articles tendered in barter.

(f) *Statute of limitations.* (1) No claim may be paid under this section unless presented in writing within 2 years after the occurrence of the accident or incident out of which the claim accrues: *Provided*, That if the accident or incident accrues in time of war or in time of armed conflict in which the Armed Forces of the United States are engaged, or if war or such armed conflict intervenes within 2 years after it accrues, it may, on good cause shown, be presented within 2 years after peace is established, or the armed conflict terminates. Good cause must be shown for any delay exceeding 2 years after the date of the accident or incident out of which the claim arose.

(2) Any claim cognizable under this section arising on and after June 25, 1950, which heretofore has not been presented or which has been presented and denied because it was not presented seasonably or any claim arising subsequent to June 24, 1950, cognizable under this section of any survivor which heretofore has not been presented or which has been presented and disapproved because such survivor had no right of recovery under then existing regulations, may be considered or reconsidered on the written request of the claimant, provided such request is made within the time prescribed in subparagraph (1) of this paragraph.

(g) *Claimants.*—(1) *Personnel.* Only military personnel or civilian employees of the Department of the Army or of the Army and civilian employees of the Department of Defense (or their duly authorized agent or legal representative (see § 536 (a) (1)) may be claimants under this section.

(2) *Survivors.* (i) In the event of the death of the military personnel or the civilian employee subsequent to the accident or incident out of which the claim arose, the claim must be presented in the claimant's name by a duly appointed executor or administrator, or by any of the persons listed in subdivision (ii) (b) of this subparagraph, or by any descendant of the decedent, or any descendant of any brother or sister of the decedent.

(ii) In the event of the death of any person among the military personnel or civilian employees, if the damage to, loss, destruction, capture, or abandonment of the personal property for which claim is made occurred concurrently with or subsequent to such death, the claim may be presented in the survivor's name upon submission of competent evidence of survivorship by any of the following in the order of precedence listed:

(a) Surviving spouse of the decedent.
(b) Child or children of the decedent.
(c) Father and/or mother of the decedent.

(d) Brothers and/or sisters of the decedent.

(h) *Demand on carrier* Whenever property is damaged, lost, or destroyed while being transported by a carrier, the claimant will make demand in writing upon the last carrier known or believed to have handled the shipment for

reimbursement for such damage, loss, or destruction. If more than one bill of lading or contract was issued, a separate demand will be made upon the last carrier under each bill of lading or contract. Such demand ordinarily will be made prior to the filing of a claim against the Government under this section and within the period provided by statute, by regulations of the Interstate Commerce Commission, or within the time prescribed by other applicable limitations, and, in any event, within 9 months subsequent to the date of delivery of the shipment, or if no portion of the shipment is delivered, within 9 months subsequent to the date when delivery would in the normal course have been made. The liability of the carrier is governed by the terms of the bill of lading or contract. The liability of a rail carrier with respect to property shipped on a Government bill of lading normally is limited to 10 cents a pound for each article damaged, lost, or destroyed; the liability normally is limited to 30 cents a pound if shipped by motor carrier; the liability normally is limited to 50 cents a

pound if shipped by railway express. Since the portion of any loss which is recovered or recoverable from a carrier must be deducted from the amount otherwise payable by the Government under this section (paragraph (c) (12)), it is important that the claimant accept from the carrier any payment determined in satisfaction of the carrier's limited liability as outlined above. Copies of all demands and related correspondence, as well as the originals of any replies, should be presented with any claim filed against the Government under this section. If the carrier fails to reply to the claimant's demand within a reasonable time, it will be presumed that the carrier denies liability. If it appears that the claim against the carrier cannot be brought to a conclusion within a reasonable time, the claimant should not await final settlement by the carrier before filing a claim under this section.

(i) *Form of demand on carrier.* Demands on carriers (paragraph (h) of this section) should be made by letter substantially in the following form:

DEMAND ON CARRIER

-----		-----	
(Name of carrier)		(Date)	
-----		-----	
(Address)			
GENTLEMEN: Claim is presented the undersigned for ----- in			
connection with the following shipment from ----- (Loss or damage)			
-----		-----	
(Consignor)		(City, town, or station)	
to ----- in connection with -----			
(Consignee)		(City, town, or station)	
-----		-----	
contract, or baggage check)		No. -----, dated -----, covering	
shipment of -----		described as	
(Household goods, footlocker, hand luggage, etc.)			
follows:			
Description of container (or of article if uncrated)	Approximate weight (lbs.)	Nature and extent of damage	Amount claimed
-----	-----	-----	\$-----
-----	-----	-----	-----
Total amount of claim \$-----			
Detailed description of property lost or damaged, including identifying marks on containers: -----			
Remarks: -----			
Yours very truly,			

(Name)			

(Address)			

(j) *Demand on insurer.* Whenever property damaged, lost, destroyed, captured, or abandoned was insured in whole or in part (paragraph (c) (10) of this section) the claimant will make demand in writing upon the insurer for reimbursement under the terms and conditions of the insurance coverage. Such demand ordinarily will be made prior to the filing of claim against the Government under this section and within the time limit provided in the policy. Copies of such demand and of any subsequent demands and related correspondence, as well as the originals of any replies, will be retained by the claimant for presentation with any claims subsequently filed

against the Government under this section. If the insurer fails to reply to the claimant's demand within a reasonable time, it will be presumed that the insurer denies liability. If it appears that the claim against the insurer cannot be brought to a conclusion within a reasonable time, the claimant should not await final settlement by the insurer before filing a claim under this section.

(k) *Failure to make demand on carrier or insurer.* Where demand on a carrier or insurer is required and the claimant fails to make such demand seasonably or fails to make reasonable efforts to collect the amount recoverable from the carrier or insurer, the amount otherwise payable

under this section will be reduced by the maximum amount recoverable from the carrier or insurer if the claim therefor had been filed seasonably, except where it is specifically found that the circumstances of claimant's service were such as to preclude seasonable filing of such claim or that a demand in any event was impracticable.

(l) *Transfer of rights against carrier or insurer.* Whenever a carrier or insurer denies liability or fails to satisfy such liability and a claim for the property in relation to which the claim is made is approved under this section without deduction of the amount for which the carrier or insurer is deemed liable, the claimant by the acceptance of payment of such claim under this section will be deemed to have assigned to the United States to the extent of his right, title, and interest in and to any claim he may have against the carrier or insurer and to have agreed that he will, upon request, execute and deliver to the United States a written assignment thereof, together with the original or a copy of the bill of lading or contract, insurance policy, and all other papers which may be required to enable the United States to press the claim against the carrier or insurer. Upon settlement of his claim by the United States, the claimant will be considered to have agreed to refund to the Government the amount of any subsequent recovery from the carrier or insurer.

(m) *Proration of recovery from carrier or insurer.* When the amount recovered or recoverable by the claimant from a carrier or insurer is less than the total loss, the amount so recovered or recoverable will be prorated between the amount approved and the amount disapproved, including the portion of damage allocated to excess baggage.

(n) *Proration in event of excess weight.* Where claim is made for damage, loss, or destruction of property comprising a shipment, the total weight of which is in excess of the regulation allowance of baggage and/or household effects authorized under Joint Travel Regulations for the rank or grade of the shipper, only that proportionate part of the total damage, loss, or destruction which the regulation allowance on the basis of weight bears to the total weight shipped can be approved for payment.

(o) *Claims within provisions of other regulations.* Claims within the scope of this section and which but for the existence of the Military Personnel Claims Act of 1945, as amended, and this section would be within the provisions of §§ 536.12 to 536.23, 536.25, 536.26, 536.29 and 536.45, will be settled under this section which is preemptive of the sections cited above. This should be not construed to bar consideration of claims not within the scope of this section under any of the other sections cited above.

(p) *Sections 536.1 to 536.8 applicable.* So far as not inconsistent with this section, the procedure set forth in §§ 536.1 to 536.8 will be followed as to claims within this section.

(q) *Claims—(1) Form to be used.* Claims for property lost, destroyed, captured, or abandoned in the service nor-

mally will be presented on WD Form 30b (Claim for Property Damaged, Lost, Destroyed, captured or abandoned in the Service) in triplicate. However, any claims conforming to the requirements of § 536.4 (b) will be accepted, provided it affirmatively shows:

(i) That the claim is being filed pursuant to this section.

(ii) The damage, loss, destruction, capture, or abandonment was not caused in whole or in part by any negligence or wrongful act on the part of the claimant, or his agent or employee.

(iii) That none of the property has been recovered and that none has been replaced by the Government (except as shown) and

(iv) That the damage, loss, destruction, capture, or abandonment was or was not covered by insurance. If it was covered by insurance, the following information also should be given:

(a) The type and amount of insurance, with names and addresses of the companies.

(b) The insurance policy or copy thereof, or an explanation as to the inability to furnish them.

(c) The certificate of demand on insurer, together with copies of the demand and all correspondence relating thereto.

(d) The amount of recovery, if any.

(v) That, if the damage, loss, destruction, capture, or abandonment is asserted pursuant to paragraph (b) (2) (ii) of this section (transportation losses) and a carrier is involved, a certificate is inclosed stating a claim has been asserted against the carrier pursuant to paragraph (h) of this section, and giving the result thereof, or stating that a demand would be unavailing (paragraph (j) of this section) together with all correspondence relating thereto.

(vi) That no previous claim for the damage, loss, destruction, capture, or abandonment has been made (except as shown)

(2) *Evidence to be submitted by claimant.* Requirements as to evidence are covered generally in § 536.4 (c). However, under this section, certain specific types of evidence are required in particular classes of claims as follows:

(i) If the claim is asserted under paragraph (b) (2) (i) of this section (property located at quarters or authorized places) a statement in detail, including, if the property was located at quarters, the geographical location thereof, whether such quarters were assigned or otherwise provided in kind by the Government, and whether the quarters were at the time regularly occupied by the claimant. If the property was located at an authorized place other than quarters, the claimant should state the geographical location thereof and the name and designation of the authority designating such place as a proper place for such property to be left or located. In all cases, the actual facts and circumstances surrounding the damage, loss, or destruction should be stated.

(ii) If the claim is asserted under paragraph (b) (2) (ii) of this section (transportation losses)

(a) A copy of orders authorizing the travel, transportation, or shipment. If such copies are not obtainable, there

should be included in lieu thereof a certificate, corroborated by a sworn statement by at least one person explaining the absence of such orders, stating the substance thereof and setting forth sufficient facts to establish the travel, if any, by the claimant and the transportation or shipment of the property.

(b) If request has been made for shipment of articles of gold or silver, paintings, or other precious articles of extraordinary value which may be shipped by railway express, the facts and circumstances thereof and whether or not the goods were so shipped.

(c) A statement specifying the weight limit of the claimant's regulation allowance of baggage in the attendant circumstances and total weight of the shipment. Also a statement from the transportation officer at destination as to whether there were any other shipments on the same orders, setting forth the weights of each shipment, together with the method of transportation and including all bills of lading.

(d) In cases of missing baggage or effects, a statement as to the steps taken by the claimant to locate the property, together with all correspondence relating thereto.

(e) A statement, in cases where property was turned over to a quartermaster, transportation officer, supply officer, or contract packer, setting forth the following information:

(1) Name (or designation) and address of quartermaster, transportation officer, supply officer, or contract packer.

(2) Date the property was turned over.

(3) Condition of the property when turned over.

(4) When and where the property was packed.

(5) Methods of packing and crating.

(6) Date when the property was shipped and reshipped.

(7) Copies of all manifests, bills of lading, and contracts.

(8) Date and place of delivery of the property to the claimant.

(9) Date the property was unpacked.

(10) Statement by the quartermaster, transportation officer, supply officer, or other available disinterested witness as to the condition of the property when received and delivered, as to handling and storage, as to the reasons for and conditions of storage, whether the property was handled by a local carrier, and whether the damage was presumed to have occurred during such handling.

(11) Whether negligence on the part of any Government employee acting within the scope of his employment caused the damage, loss, or destruction.

(12) Whether at the time the shipment was received from the last common carrier, any notation was made on the paper acknowledging receipt thereof, indicating any loss, damage, or discrepancy.

(13) Whether, at the time the shipment was received from the local carrier, any notation was made on the paper acknowledging receipt thereof, indicating any loss, damage, or discrepancy.

(iii) If claim is asserted under paragraph (b) (2) (iii) of this section (marine or aircraft disaster)

(a) A copy of orders or other available evidence to establish the claimant's lawful right to be on board, or that he lawfully had his property on board.

(b) A statement in detail of the actual facts and circumstances of the disaster.

(iv) If claim is asserted under paragraph (b) (2) (iv) of this section (enemy action or public service)

(a) A copy of orders or other available evidence to establish the claimant's rightful entry into the area or location involved.

(b) A statement in detail of the actual facts and circumstances showing that the property was damaged, lost, destroyed, or captured by the enemy, or was destroyed or abandoned to prevent it from falling into the hands of the enemy or that the loss was due to combat or activities incident thereto, or by reason of hostile or belligerent activities in the course of warfare to which the United States was or was not a party, including but not limited to confiscation, guerrilla activities, or organized brigandage; or, in the case of public disaster, the facts and circumstances in detail showing that the property involved was previously in a position of safety but was damaged, lost, destroyed, or abandoned as a direct consequence of the claimant having given his attention to saving Government property or human life.

(v) If claim is asserted under paragraph (b) (2) (v) of this section (money) a statement in detail setting forth the actual facts and circumstances surrounding the loss, destruction, capture, or abandonment, including receipts relating thereto or an affidavit explaining the failure to present same, the names, grade, service numbers, if any, and addresses of the Government agents or employees whose acts or omissions caused the loss, and the facts relied upon to establish that such agents or employees were acting within the scope of their employment.

(3) *Filing claim.* The claim should be submitted to the commanding officer of the organization to which the claimant belongs or with which he is serving, if practicable, or to the commanding officer of the organization nearest to which the accident or incident occurred. If in a foreign country where no military forces are stationed, the claim may be submitted to the United States military attache. If the claimant has been separated from the service prior to filing a claim, the claim may be presented through the nearest military installation or district. In any case where submission under the foregoing provisions is impracticable, claims may be submitted direct to the Claims Division, Branch Office of The Judge Advocate General, Department of the Army, Fort Holabird, Baltimore 19, Maryland. No claims of officer, military installation, or military district will refuse to accept a claim and, although it appears not to be within this section, the claim and all available evidence will be forwarded through channels to the Branch Office of The Judge Advocate General, Fort Holabird, Baltimore 19, Maryland.

(r) *Replacement in kind.* Any claim may be acted upon by the commanding officer (acting in person or through his

judge advocate or if no judge advocate is available, another designated officer of his staff) of the organization to which the claimant belongs or with which he is serving, or with which he may be temporarily, to the extent of directing the replacement in kind, by a local quartermaster or supply officer from stocks then available, of personal property damaged, lost, destroyed, captured, or abandoned. Such action by or for the commanding officer in directing replacement in kind, and replacement in accordance with such action, will be final and conclusive for all purposes. If replacement in kind is made as to all items claimed, all copies of the report, claim, and related papers will be retained for the property records of the organization making such replacement. If only part of the items claimed are replaced in kind, the claim will be processed and forwarded in accordance with paragraph (g) of this section, including therein the issue slip or other authenticated evidence, list of the items replaced, and the value thereof.

(s) *Approval and payment*—(1) *General*. Claims submitted under this section will be considered, ascertained, adjusted, determined, settled, and, when substantiated as within this section, approved or disapproved by any officer or officers designated by The Judge Advocate General for that purpose or (subject to such jurisdictional limits as to amount as may be fixed from time to time) by any foreign claims commission designated by him for that purpose.

(2) *Notice to claimant*. Upon disapproval of a claim by the approving authority, the claimant will be notified in writing of the action taken and the reason therefor.

(3) *Effect of action*. The action of the approving authority in approving or disapproving a claim in whole or in part will be final and conclusive for all purposes.

(4) *Acceptance agreement*. No acceptance agreement by the claimant is necessary and no such acceptance agreement will be required or included in the file at any stage in the processing of the claim.

[AR 25-100, Aug. 20, 1953] (59 Stat. 225, as amended; 31 U. S. C. 222c)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc 53-8000; Filed, Sept. 15, 1953;
8:49 a. m.]

Chapter VII—Department of the Air Force

Subchapter A—Aid of Civil Authorities and Public Relations

PART 804—RELATIONS WITH AGENCIES OF PUBLIC CONTACT COMMERCIAL LIFE INSURANCE SOLICITATION

The following sections supersede §§ 804.201 to 804.204 (17 F. R. 3681, 32 CFR, 1952 Supp., 804.201-204)

Sec.
804.201 Purpose.
804.202 Policy.
804.203 Definition.

Sec.
804.204 Regulating procedures.
804.205 Violation of regulations.

—AUTHORITY: §§ 804.201 to 804.205 issued under R. S. 161, sec. 202, 61 Stat. 500, as amended; 5 U. S. C. 22, 171a.
DERIVATION: AFR 34-21.

§ 804.201 *Purpose*. Sections 804.201 to 804.205 establish a uniform Air Force policy in connection with solicitation of Air Force personnel on Air Force installations by representatives of commercial life insurance companies. A report of action taken in banning agents from bases and of complaints called to the attention of the commander regarding fraudulent or unethical practices on the part of insurance representatives in which military personnel are involved or have been involved is established. The provisions of §§ 804.201 to 804.205 are applicable to all Air Force activities in the continental United States, its territories, possessions, and bases overseas.

§ 804.202 *Policy*. The control of the activities of dealers, tradesmen, or their agents is the responsibility of the installation commander. Life insurance solicitation may be permitted at the discretion of the installation commander, under such regulations as he shall prescribe. If such solicitation is permitted, the commander's personal and active supervision is mandatory. Minimal supervisory regulations controlling solicitation by commercial life insurance agents will include the following:

(a) Commanders of Air Force installations over which exclusive jurisdiction has been ceded to the United States will permit solicitation of commercial life insurance on their installations when both the company and its agents are licensed in any State or the District of Columbia. In implementation of this provision, commanders in their discretion may require insurance companies not authorized to do business within the State to furnish such information concerning licensing as is filed in the State where domiciled.

(b) Where the State has retained exclusive or concurrent jurisdiction over the installation, the company and the agents must qualify under the laws of that State prior to soliciting business on the installation.

(c) In those instances where exclusive or concurrent jurisdiction has been retained by the State for only a part of the installation, the agent and the company must be licensed within the State to solicit in that area. On the remaining portion of the installation the provisions of paragraph (a) of this section will be applicable.

(d) There will be no solicitation of recruits or basic trainees.

(e) There will be no solicitation of personnel being processed at ports of embarkation, except by written appointment.

(f) There will be no mass solicitation at formations or captive audiences.

(g) Solicitation will not be permitted which interferes with military duty.

(h) Remuneration or gifts of any nature will not be offered to, or accepted by, military or civilian personnel em-

ployed by the Air Force to facilitate transactions.

(i) The recommendation of any commercial reporting or publishing agency's publication will not be utilized as the sole basis for determining whether a company or its agents will be permitted to solicit business on any Air Force installation.

(j) Commanders of installations outside the continental United States will, prior to granting permission for the solicitation of insurance on the installation, utilize the criteria set forth in this part as a guide in determining the authority and qualifications of such companies and agents in accordance with appropriate treaties or agreements and any applicable laws of the jurisdiction wherein an installation may be located.

§ 804.203 *Definition*. For the purpose of §§ 804.201 to 804.205, the term concurrent jurisdiction refers to those cases wherein the State, territory, possession, or foreign State in which the installation is located possesses at least the minimal jurisdiction to control the business of life insurance within the installation. It is not necessary to include within the terms of §§ 804.201 to 804.205 that the State and the Federal Government of the United States necessarily exercise jurisdiction over the conduct of the business of insurance to the same degree. The words concurrent jurisdiction, as used in §§ 804.201 to 804.205, are to denote a concurrency of jurisdiction over subject matter. They are not to be confused with concurrency of jurisdiction in a geographical sense, which would exist if all jurisdiction over part of an installation were ceded to the Federal Government and partial jurisdiction over another part of the installation was reserved to itself by the State. The jurisdiction which a State possesses over a particular installation depends upon the method by which the property was acquired and the terms of the granting or ceding statute enacted by the State legislature. It must be determined individually for each installation or, where various parts of the installation were acquired through separate transactions, for each portion of an installation.

§ 804.204 *Regulating procedures*. (a) Commanders will regulate solicitation within their commands to avoid discriminatory practices. No commercial life insurance organization, association, company, groups, or other such entity or agent, or special company plan of insurance, will, in any way, be sponsored by any member of the Air Force, nor will any consideration be afforded or granted to any one company or agent over another. The only life insurance considered non-commercial by the Department of the Air Force is that made available to military personnel as a result of Federal Legislation and underwritten by the United States Government.

(b) All allotment authorizations (DD Form 234 "Allotment Authorization to Start or Stop Allotments") for commercial life insurance will be completed prior to signature and processed in accordance with current regulations.

(1) In all instances where commercial life insurance premiums are to be paid

by allotment (DD Form 234) the personal affairs officer or his representative will discuss the transaction with the service member to ascertain that:

- (i) The policy is of a suitable type.
- (ii) The premium rate is consistent with the financial status of the individual concerned.
- (iii) Military personnel are aware of such provisions as war clause, aviation and geographic restrictions, and/or other undesirable clauses which are contained in or attached to policies being contracted.

(iv) The service member is aware of the insurance coverage afforded by the government life insurance program and that the Air Force does not indorse or sponsor any commercial life insurance policy.

(c) The official use of DD Forms 234 bearing an unauthorized overprint is prohibited. Air Force personnel or finance officers will not certify such forms.

(d) Commercial life insurance agents will not be utilized for insurance lectures.

(e) Installation commanders will require all companies authorized to offer life insurance to military personnel on their reservations to submit a notarized letter signed by the President or Vice-President of the company concerned. The letter must list all policies together with their form numbers and contain a statement that only the policies listed are to be offered on such military installations. Further, the letter must affirm that those policies listed comply with the following minimum requirements prescribed for insurance companies and their agents soliciting military personnel on all military installations:

(1) Commanders will require that life insurance policies offered to military personnel on installations have reserves at least equal to those produced by the Commissioners Reserve Valuation Method as defined in the Standard Valuation Law when calculated according to the Commissioners 1941 Standard Ordinary Mortality Table with interest at a rate not in excess of 3½ percent per annum. Such policies must provide cash and nonforfeiture values at least equal to the minimum values determined by the Standard Association of Insurance Commissioners at its December 1942 meeting and must comply with the interpretations of the "working committee on Standard Nonforfeiture and Valuation Laws to Life Insurance Committee, National Association of Insurance Commissioners" commonly known as the Hooker Committee.

(2) The existence of exclusion of restrictive clauses or provisions of the following will be plainly indicated on the face of the policy: War Clauses; Geographic Limitations; Aviation Exclusion Provisions. This may be accomplished by the means of a rubber stamp.

(3) All companies selling participating policies must clearly indicate on all literature referring to dividends that the dividends are estimates and not guaranteed.

(4) Life insurance agents will furnish the applicant and the unit commander information regarding the policy applied for, indicating:

- (i) Name and address of company.
 - (ii) Name and address of agent.
 - (iii) Name of the insured.
 - (iv) Type of policy.
 - (v) Amount of life insurance.
 - (vi) Premium.
 - (vii) Death benefit, guaranteed cash value, extended insurance, pure endowment (if any) at the end of the first to fifth years inclusive and the tenth, fifteenth and twentieth years.
 - (viii) List of all exclusion provisions which might be incorporated in the policy such as War Clauses, Aviation Exclusion Provisions, Geographical Limitations, and so forth.
- (f) Upon application for permission to solicit commercial life insurance on an Air Force installation, an agent will be required to furnish the installation commander a notarized letter, signed by an authorized official of the company indicating that the agent is licensed to solicit for that company and that the company assumes full responsibility for the actions of the agent.

§ 804.205 *Violation of regulations.* Any agent may be barred by a commander for violation of regulations. When such action is taken, commanders will cooperate with appropriate state officials and bring the facts of the violation to their attention. A complete and impartial investigation will be made. When possible, the agent concerned will be afforded an opportunity to be heard. The results of the investigation will be forwarded to the Director of Military Personnel, Headquarters USAF through appropriate command channels.

[SEAL] K. E. THIEBAUD,
Colonel, U. S. Air Force,
Air Adjutant General.

[F. R. Doc. 53-7983; Filed, Sept. 15, 1953;
8:45 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 17—DISBURSEMENTS AND ACCOUNTS

PART 99—MAIL EQUIPMENT

MISCELLANEOUS AMENDMENTS

a. In § 17.13 *Sale of maps, Solicitor's opinions and transcripts of hearings* rescind paragraphs (b) (c) and (d) and insert in lieu thereof new paragraph (b) to read as follows:

(b) *Accounting for funds.* Applications for the purchase of post-route and rural-delivery maps, Solicitor's opinions, and transcripts of hearings, and payment therefor shall be made to the Director, Division of Postal Funds, who shall deposit the funds received in his checking account with the Treasurer of the United States and prepare and forward orders as follows: (1) Orders for maps, to the Assistant Postmaster General, Bureau of Facilities; (2) orders for Solicitor's opinions, to the Solicitor; and (3) orders for transcripts of hearings, to the Chief Hearing Examiner. If a remittance is received in excess of the amount required to pay for the material furnished, refunds shall be made on certification of a properly prepared schedule of disbursements by the Assistant Postmaster General, Bureau of Finance. At

the end of each month the Assistant Postmaster General, Bureau of Finance shall make certification on a properly prepared schedule of disbursements to the Director, Division of Postal Funds, who shall draw a check for the amount of the sales and deposit the sum in the Post Office Department Fund with the Treasurer of the United States.

b. In § 99.5 *Loan of mail sacks* amend paragraph (a) to read as follows:

(a) *For transportation of mail matter to local post offices.* When in the opinion of the postmaster, material benefits to the Postal Service will result and dispatch of mails will be expedited, mail sacks may be loaned to publishers or others to deliver their mail to the local post office, made up for dispatch, in accordance with Postal Transportation Service schemes of distribution, or in any other manner that may be prescribed by the postmaster.

c. Section 99.8 *Mail sacks furnished for shipments by freight or express to be deposited in mails* is amended to read as follows:

§ 99.8 *Mail sacks furnished for shipments by freight or express to be deposited in mails; for transportation of mail matter to other than local post offices.* When in the opinion of the postmaster, material benefits to the Postal Service will result and dispatch of mails will be expedited, mail sacks may be furnished for shipment of catalogs and other advertising matter in large quantities or carload lots by freight or by other means of transportation to post offices into which such matter is to be deposited for dispatch as mail, and for shipment by publishers of second-class matter by freight or by other means of transportation to post offices where such matter has entry. *Provided*, That the shipper shall make such distribution as may be required by the Postal Transportation Service or the postmaster at shipping point. However, such shipments by freight or by other means of transportation are not to be consigned to trucking companies to be split up and delivered by them in small lots to several different post offices but must all be entered in the mails at the post offices to which such shipment is consigned and no part of such shipment shall be delivered outside of the mails.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25;
5 U. S. C. 22, 369)

[SEAL] ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-7988; Filed, Sept. 15, 1953;
8:46 a. m.]

PART 35—PROVISIONS APPLICABLE TO THE SEVERAL CLASSES OF MAIL MATTER

PART 41—THE PRIVACY AND SAFEGUARDING OF THE MAILS

PART 42—TREATMENT OF DOMESTIC MAIL MATTER AT POST OFFICES OF MAILING AND AT POST OFFICES IN TRANSIT

PART 52—RURAL DELIVERY

MISCELLANEOUS AMENDMENTS

a. In § 35.10 *Address of mail matter* make the following changes:

1. Amend the caption of paragraph (e) to read as follows:

(e) Addressed to "box holder" "patron," or "householder"

2. Amend paragraph (e) (1) to read as follows:

(1) *Requirements.* When it is desired to send a piece of advertising or other matter (see § 34.52 (h) of this subchapter) as ordinary mail to (i) every rural or star-route box holder served from any post office having rural or star route delivery, (ii) every post office box holder or (iii) patrons of any post office having city or village letter carrier service for delivery by city or village letter carriers, the name, box, and route numbers or local street address may be omitted from the matter, provided each piece is definitely addressed in the following manner, respectively:

- (a) Rural or star-route box holder,

(Post office and State)
- (b) Post office box holder,

(Post office and State)
- (c) Patron (or householder), letter carrier route,

(Post office and State)

Provided further, That postage at the proper rate is fully prepaid on the matter in money under permit in accordance with § 34.66 of this subchapter or § 35.4, or by means of precanceled stamps, precanceled Government stamped envelopes, or precanceled Government postal cards under the conditions governing their use, and all the pieces for the same post office are put up by the mailer, so far as may be practicable, in packages of 50, each package to be labeled, preferably by means of a facing slip, as follows, according to the distribution desired:

- (a) For distribution to rural or star-route box holders,

(Post office and State)
- (b) For distribution to post office box holders,

(Post office and State)
- (c) For distribution to patrons served by city or village letter carriers,

(Post office and State)

3. Delete present paragraph (f) and redesignate paragraphs (g) (h) and (i) as paragraphs (f) (g) and (h) respectively.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

b. Section 41.6 *Furnishing of information about number of routes and boxes*, is amended to read as follows:

§ 41.6 *Furnishing of information about number of routes and boxes.* Postmasters shall furnish, upon request, information as to the number of rural and star routes at their offices and the number of boxes served by each carrier; the number of post office boxes in use at their offices; and the number of city or village carrier routes at their offices, as well as the number of patrons or stops on each route, after satisfying themselves

that such information is not to be used for any improper or unlawful purpose.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

c. In § 42.13 *Postmarking stamps* rescind paragraph (d).

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

d. In § 52.22 *Delivery schedules* rescind present paragraph (b), and redesignate paragraphs (c) and (d) as paragraphs (b) and (c), respectively.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL]

ROSS RIZLEY,
Solicitor.

[F. R. Doc. 53-7926; Filed, Sept. 15, 1953; 8:46 a. m.]

PART 70—GENERAL PROVISIONS

PART 71—ISSUE OF DOMESTIC MONEY ORDERS

PART 72—PAYMENT OF DOMESTIC MONEY ORDERS

PART 73—DUPLICATE ORDERS: PAYMENT OF INVALID ORDERS

PART 74—INTERNATIONAL MONEY-ORDER SERVICE

PART 75—SEMI-DOMESTIC MONEY-ORDER SERVICE

REVISIONS

1. Part 70, General Provisions, 39 CFR Part 70, is hereby amended to read as follows:

PART 70—GENERAL PROVISIONS

Sec.

- 70.1 Authority for establishment.
- 70.2 Allowances for clerical labor in money-order business.
- 70.3 Postmasters and employees not to act as agents for competitive service.
- 70.4 Information not to be given.
- 70.5 Money-order service for military personnel.
- 70.6 Correspondence.

AUTHORITY: §§ 70.1 to 70.6 issued under R. S. 161, 296, 4027, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369, 39 U. S. C. 711.

§ 70.1 *Authority for establishment.* To promote public convenience, and to insure greater security in the transfer of money through the mail, the Postmaster General may establish and maintain, under such rules and regulations as he may deem expedient, a uniform money-order system, at all suitable post offices, which shall be designated as "money-order offices." (R. S. 4027; 39 U. S. C. 711)

§ 70.2 *Allowances for clerical labor in money-order business.* (a) Postmasters at money-order post offices of the first and second classes may be allowed by the Postmaster General to employ such number of clerks in the transaction of their money-order business, and at such rates of compensation, respectively, as he may deem expedient. * * * At all * * * money-order post offices (other than post offices of the first, second, and third classes) the compensation for the clerical labor in the money-order busi-

ness shall be paid out of the fees received for the issue of money orders, and shall be three cents for each domestic or international money order issued: *Provided,* That the Postmaster General may allow to the postmaster at each international exchange office such additional amount in each case, out of the annual appropriation for clerks in post offices, as he may deem expedient to enable these postmasters to obtain the clerical labor necessary for the performance of such special duties as are imposed upon them by the operations of the money-order system and are not required of other postmasters. (Sec. 4, 22 Stat. 523; sec. 3, 28 Stat. 31)

(b) The allowances for clerk hire made to postmasters of the first, second, and third-class post offices by the Postmaster General out of the annual appropriations therefor shall cover the cost of clerical service of all kinds in such post offices, including the cost of clerical labor in the money-order business. * * * (Sec. 1, 43 Stat. 1054; 39 U. S. C. 83)

NOTE: The compensation of clerks in post offices of the first, second, and third classes is based upon the classification provided by law.

§ 70.3 *Postmasters and employees not to act as agents for competitive service.* Postmasters and employees at money-order offices or the branches or stations thereof shall not accept from any express company, banker, banking institution, or other corporation or firm any agency for the issue or payment of money orders, drafts, bills of exchange, or similar instruments for the transmission of money, except under special permission of the Assistant Postmaster General, Bureau of Finance.

§ 70.4 *Information not to be given.* Postmasters and postal employees shall not disclose information concerning money orders issued or paid by them to any person except the remitter, payee, or endorsee or the agent of one of them or to a representative of the Post Office Department, or under special instructions from the department.

§ 70.5 *Money-order service for military personnel.* Mail clerks and assistant mail clerks in the Army, Navy, Marine Corps, or Coast Guard, who have been so designated, may transact money-order business. Military post offices are branches of a post office and money-order business is transacted under procedures similar to those prescribed for other branches of post offices.

NOTE: See Part 123 of this chapter for authority to establish Navy, Marine Corps, Coast Guard, and Army Mail Service and designate mail and assistant mail clerks.

§ 70.6 *Correspondence.* Postmasters shall observe the following instructions in correspondence concerning the money-order business:

(a) *With Bureau of Finance.* Correspondence concerning the administration of the money-order service, including inquiries relative to the issue and payment of money orders, applications for duplicate money orders, and for settlement checks in lieu of invalid money orders, money-order reserves, money-

order credits with the Treasurer of the United States, money-order funds, the transaction of international money-order business, and the establishment and discontinuance of money-order offices, shall be addressed to the Bureau of Finance.

(b) *With Regional Distributing Post Offices.* Correspondence concerning requisitions for and shipment of money-order forms should be sent to the regional distributing post office for the region in which the post office is located.

(c) *With Regional Accounting Offices—(1) Money-order accounts.* Correspondence concerning money-order accounts, including their preparation, dispatch, and audit, shall be addressed to the regional accounting office of the region in which the post office is located.

(2) *Inquiries relating to payment of money orders.* Inquiries concerning the payment of money orders may be made of a postmaster who will complete Form 6401 addressed to the regional accounting office which serves the region in which the office of issue is located. An inquiry should not be sent until 15 days after issue of the order, unless the remitter exhibits a letter from the payee denying receipt, written after ample time has elapsed for the order to have been received.

NOTE: See § 71.2 (b) of this chapter relative to use of serial numbers of money orders in correspondence and accounts.

2. Part 71, Issue of Domestic Money Orders, 39 CFR, Part 71, is hereby amended to read as follows:

PART 71—ISSUE OF DOMESTIC MONEY ORDERS

MONEY-ORDER FORMS

- Sec.
71.1 Forms authorized.
71.2 Blank money-order forms.

MISCELLANEOUS PROVISIONS

- 71.3 Issue of orders at branches and stations.
71.4 Kind of money to be used.
71.5 Waiver of identification of payee forbidden.

FEES AND LIMITATIONS

- 71.6 Fees and limitations.
71.7 Orders drawn to correct errors.

APPLICATION AND ISSUE

- 71.8 Application for money order.
71.9 Issue of money orders.
71.10 Designation of payee.
71.11 Consent of guardian to issue order to ward.

ERRORS; CHANGES; ADVICES

- 71.12 Errors and corrections; "not issued" orders.
71.13 Request for change in order.
71.14 Advices.

AUTHORITY: §§ 71.1 to 71.14 issued under R. S. 161, 396, 4027, 4034, as amended, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369; 39 U. S. C. 711, 720.

MONEY-ORDER FORMS

§ 71.1 *Forms authorized.* The Postmaster General shall prescribe the forms for the issue of money orders and shall furnish money-order offices with printed or engraved forms for domestic money orders, and no money order shall be valid unless drawn upon such form. (R. S. 4034, as amended; 39 U. S. C. 720),

§ 71.2 *Blank money order forms—(a) Distribution—(1) To Regional Distributing Offices.* Blank money-order forms will be shipped by the Department from the plant of the manufacturer to the 12 regional distributing post offices. A separate series of numbered money-order forms is provided for each region. The serial number is preceded by the region number and both numbers are printed on and punched into each money-order form.

(2) *To post offices.* Postmasters will send requisitions to their regional distributing office for the number of forms needed for a 3-month supply. If conditions arise that exhaust their current stock more rapidly an emergency requisition shall be made. A postmaster is expected to have at all times sufficient forms on hand for the transaction of money-order business.

(3) *To stations and branches.* Regional distributing offices shall distribute money-order forms to post offices only; the responsibility for distribution to stations and branches rests upon individual postmasters.

(b) *Accounting for* On each money-order form is printed a number, known as the serial number, preceding and a part of which is a number separated by a hyphen indicating the region in which the order is issued. Every blank money-order form sent to a postmaster for issue at his office shall be duly accounted for in its proper numerical order in his money-order lists or statements of accountability.

(c) *Responsibility for forms.* Postmasters shall keep their stock of blank money-order forms in their own custody, under lock and key, in some place of security to which unauthorized persons cannot have access, and will be held responsible for any loss resulting from disregard of this regulation.

(d) *Care in handling forms.* Postmasters and other employees shall handle blank money-order forms in such manner that the forms will not be folded, creased, or otherwise mutilated. No object of any kind shall be inserted into the holes punched in the forms. Postmasters shall not transfer or lend money-order forms to other postmasters.

(e) *Theft of forms.* In case of theft of money-order forms the postmaster will immediately notify the post-office inspector in charge of the division in which the office is located, giving the first and last serial numbers of the stolen forms. When practicable this report will be made by telegraph in as brief form as may be consistent with clearness and accuracy, and will state the date on which the robbery occurred or the loss was detected.

MISCELLANEOUS PROVISIONS

§ 71.3 *Issue of orders at branches and stations.* The postmaster of every city where branch post offices or stations are established and in operation, subject to his supervision, is authorized, under the direction of the Postmaster General, to issue, or to cause to be issued, by any of his assistants or clerks in charge of branch post offices or stations, postal money orders, payable at his own or at any other money-order office, or at any

branch post office or station of his own, or of any other money-order office, as the remitters thereof may direct; and the postmaster and his sureties shall, in every case, be held accountable upon his official bond for all moneys received by him or his designated assistants or clerks in charge of stations, from the issue of money orders, and for all moneys which may come into his or their hands, or be placed in his or their custody by reason of the transaction by them of money-order business. (R. S. 4029; 39 U. S. C. 713)

NOTE: See § 24.3 of this chapter as to classification of branch offices and stations.

§ 71.4 *Kind of money to be used—(a) And exceptions.* In the transaction of money-order business postmasters shall not receive or pay out foreign money, except that at post offices near the border between the United States and Canada, Canadian money may be received for and used in payment of money orders under such special restrictions as the Assistant Postmaster General, Bureau of Finance, shall prescribe.

(b) *Notes and checks.* Promissory notes shall not be accepted in any case for the issue of money orders. Government paper of any kind (disbursing officers' checks, which include disbursing postmasters' checks in payment for rural delivery service, pension checks, Post Office Department settlement checks, postal savings checks, etc.) may be received from responsible persons whose indorsement thereon the postmaster is willing to guarantee, provided such paper will be accepted at par by the depository to which it is finally remitted. Subject to these conditions, such Government paper may be cashed with surplus money-order funds and forwarded for deposit as provided in the Post Office Manual. Postmasters are not required to accept personal checks tendered by patrons as payment for the issue of money orders, including those in payment for c. o. d. parcels and those purchased on rural routes, and if such checks are accepted it is at the risk of the postmaster, who will be held liable on his official bond for any loss which may result therefrom.

§ 71.5 *Waiver of identification of payee forbidden.* Postmasters shall not issue any money order conditioned that identification of payee, indorsee, or attorney may be waived, nor shall any postmaster pay any money order issued without requiring identification of the payee, indorsee, or attorney. (Sec. 5, 30 Stat. 966; 39 U. S. C. 724)

FEES AND LIMITATIONS

§ 71.6 *Fees and limitations—(a) Authority.* A money order shall not be issued for more than \$100, and the fees for domestic money orders shall be as follows: For orders less than \$5 and 1 cent, 10 cents; for orders from \$5 and 1 cent up to and including \$10, 15 cents; for orders from \$10 and 1 cent up to and including \$50, 25 cents; for orders from \$50 and 1 cent up to and including \$100 35 cents. (Sec. 206, 62 Stat. 1260; 39 U. S. C. 716a)

(b) *Limitations.* The number of money orders that may be purchased by

a remitter is not limited. No money order may contain a fractional part of a cent.

NOTE: The above fees are applicable also to orders intended for payment in countries with which business is transacted on the domestic basis. See 1.8a of this chapter for authority of the Postmaster General to prescribe fees for the issuance of money orders.

§ 71.7 Orders drawn to correct errors. Money orders may be drawn by the Superintendent of the Division of Money Orders without the exaction of an additional fee for the purpose of correcting errors made by issuing or paying postmasters. (Sec. 5, 30 Stat. 966; 39 U. S. C. 726)

NOTE: The title of the official now is Director of the Division of Money Orders.

APPLICATION AND ISSUE

§ 71.8 Application for money order—(a) Authority. The Postmaster General shall supply such money-order offices, as he may deem expedient, with blank forms of application for money orders, in such form as he may direct. (R. S. 4033, as amended; 39 U. S. C. 719)

(b) Form. The application for a money order shall be made on a printed form, showing the particulars to be stated in the money order. The application shall be numbered to correspond with the money order and filed in that numerical sequence.

§ 71.9 Issue of money orders—(a) From applications. Money orders shall be issued bearing the particulars furnished by the remitters on their applications. The orders shall bear the actual date of issue and upon payment therefor shall be delivered with the receipts to the purchasers, except as provided in the case of orders issued in payment for c. o. d. parcels and orders purchased by patrons on rural routes.

(b) C. o. d. orders. (1) Remittances of collections for c. o. d. parcels shall be made only by money order. A separate money order shall be issued for the charges collected on each c. o. d. parcel, and if the amount is more than \$100 two money orders shall be issued and the serial number of each order shall be entered on the c. o. d. tag constituting the application. The sender of the c. o. d. parcel shall be named as payee, and the addressee (not the postmaster nor the person receipting for addressee) as remitter. The number of the c. o. d. parcel shall be written or stamped in the space provided therefor and the money order in each case shall be mailed in a penalty envelope to the payee the same day the parcel is delivered, or without fail on the following business day.

(2) If an envelope containing a c. o. d. money order is returned to the office of issue indorsed "Fraudulent" "Refused—Out of Business" "Fictitious" or "Unlawful" the envelope and the money order shall be sent immediately to the Assistant Postmaster General, Bureau of Finance.

(c) Entries on money orders. The entries on money orders shall be made with pen and black ink, except that rubber stamps may be used for all entries but the amount in blocks and body of the

order. Pencil or typewriter must not be used. The name of the issuing postmaster shall not be affixed to a money order, but the initials of the issuing employee shall be inserted in the space provided therefor.

NOTE: See § 71.1 as to money-order forms; § 71.12 as to "not issued" forms; § 71.14 as to advices.

§ 71.10 Designation of payee. An order shall be made payable to only one person or firm. If more than one payee is named in the application the patron shall be required to submit another application naming but one payee. A money order may be made payable to the remitter if he so desires. If only the surname of the payee is furnished the postmaster shall decline to issue the order except as provided in the Post Office Manual.

§ 71.11 Consent of guardian to issue order to ward. When notified of the appointment of a guardian, committee, or other person legally designated by a court having jurisdiction so to act for one adjudged incompetent, a postmaster shall refuse to issue a money order on the application of the ward unless permission is granted by the person in whose care such ward has been placed.

ERRORS; CHANGES; ADVICES

§ 71.12 Errors and corrections; "not issued" orders—(a) Error discovered before purchaser leaves post office. No alteration, change, erasure, or substitution, either of words or figures, shall be made in issuing a money order. If an error of any kind occurs in issuing an order, and is discovered before the purchaser has left the post office, no attempt should be made to change the order in any way, but it shall be treated as "not issued" and another one drawn and delivered to the remitter. No fee shall be charged for an order treated as "not issued."

(d) Defective forms. When a money-order form is not fit for use because of defective printing, mutilation, or disfigurement it shall be treated as "not issued."

(c) Disposition. A form included in either of the classes named above shall be endorsed "Not Issued," and accounted for and disposed of in accordance with the instructions in the Post Office Manual.

§ 71.13 Request for change in order—(a) New order and fee. After a money order has been issued, if the purchaser desires to have it modified or changed, the postmaster who issued the order shall take it back and issue another in lieu of it, for which a new fee shall be exacted. (R. S. 4038; 39 U. S. C. 725)

(b) Fee for new order. If the order is returned for the purpose of changing any of the particulars thereon, it shall be treated as repaid and a new order issued, for which another fee shall be paid. If the order is returned because of a mistake made by the issuing postmaster he shall pay the fee for the new order from his personal funds, or, if the remitter prefers the return of the money instead of a new order, the amount of the fee

shall be refunded to the remitter from the personal funds of the postmaster.

§ 71.14 Advices. When a postmaster to whom a money order is presented for payment requires additional or corrected information, he may apply to the issuing postmaster for an advice, which the latter shall furnish from the entries on the remitter's application.

3. Part 72, Issue of Domestic Money Orders, 39 CFR Part 72, is hereby amended to read as follows:

PART 72—PAYMENT OF DOMESTIC MONEY ORDERS

GENERAL PROVISIONS

- Sec.
72.1 Payment of money orders.
72.2 Requirements for payment of money orders.
72.3 Identification.

PAYMENT OF ORDERS TO OTHER THAN PAYEES OR REMITTERS

- 72.4 Indorsement.
72.5 Payment to legal representatives.
72.6 Payment through bank.

PAID MONEY ORDERS

- 72.7 Paid money orders.

WHEN ORDERS SHALL NOT BE PAID

- 72.8 Payment of orders withheld.
72.9 Payment of orders forbidden.

AUTHORITY: §§ 72.1 to 72.9 issued under R. S. 161, 396, 4027, 38 Stat. 280, as amended, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369; 39 U. S. C. 711, 727.

GENERAL PROVISIONS

§ 72.1 Payment of money orders—(a) Authorization. Under such rules and regulations as the Postmaster General shall prescribe, postal money orders may be issued payable at any money-order post office, and on and after the date upon which such rules and regulations become effective all money orders shall be legally payable at any money-order post office, although drawn on a specified office; and as compensation for the extra labor involved in paying a money order at an office other than that on which the order is drawn the Postmaster General is authorized to exact a fee of the same amount as that charged for the issue of the order. (38 Stat. 280, as amended; 39 U. S. C. 727)

NOTE: With the card money-order system introduced July 1, 1951, money orders are not drawn on specific post offices.

(b) Payment to remitter. The postmaster issuing a money order shall repay the amount of it upon the application of the person who obtained it, and the return of the order; but the fee paid for it shall not be returned. * * * (R. S. 4039, as amended; 39 U. S. C. 728)

(c) Terms of payment. A domestic money order shall be paid at its face value if presented by the payee, remitter, or first indorsee at any post office within the period of validity, which is one year from the last day of the month in which issued. A money order may be cashed at a station or branch as well as at the main office.

(d) Provision for payment of money orders. A postmaster shall provide as far as possible for payment of money orders on presentation and shall pay postal money orders under the condi-

tions set forth in succeeding sections if he has sufficient funds, whether arising from the issue of money orders or from postal receipts.

(e) *Cancellation of extraneous signatures.* When a money order is presented by the remitter, payee, or first indorsee payment may be made although other and immaterial signatures may appear on the order. The extraneous signatures shall be crossed out with pen and ink.

§ 72.2 *Requirements for payment of money orders.*—(a) *Examination of order.* When a money order is presented for payment, the paying employee shall examine it to see that it is properly drawn and stamped by the issuing post office, and assure himself that it is not issued on a form reported stolen, and that it is signed by the payee or remitter, or by a person authorized by one of them to receive payment. If one year or more has elapsed since the last day of the month in which the order was issued, the order shall not be paid; in such event, the instructions contained in § 73.5 of this chapter shall be observed.

(b) *Discrepancies.* When a discrepancy is found that does not raise a question relative to the amount or identity of the person intended as payee payment may be made. In the case of a c. o. d. money order presented for payment at the post office where the parcel was mailed, the mailing records should be consulted if necessary to remove doubt concerning the amount or name of payee. If the paying postmaster cannot determine positively either of these two particulars he should apply to the issuing office for an advice on Form 6006, upon receipt of which payment may be made.

(c) *Signatures.*—(1) *General.* Any signature of the payee, remitter, or indorsee not inconsistent with the name given on the order may be accepted by the paying postmaster as sufficient, provided he is satisfied it is the genuine signature of the person intended.

(2) *Signature by mark.* If signature of payee, remitter, or indorsee acknowledging payment is by mark, it shall be witnessed by a person who can write, and the witness shall be some one other than the postmaster or paying employee.

(3) *Signature of firms and other organizations, and their representatives.* A money order payable to a governmental office, firm, institution, society, or other organization shall be signed in the name of the organization by a representative authorized to do so and where necessary the postmaster may require satisfactory evidence of such authority. The representative should indicate the capacity in which he is acting. If the order is drawn in favor of the representative as such he should affix his signature in the same manner and in case a successor has qualified the latter should sign as successor thus: "William Jones, Treasurer, successor to George Thompson."

(4) *Stamped signature.* All of the requisite signatures to a money order—those of payee, remitter, indorsee, or witness to payment—shall be written, preferably in ink; but a stamped indorsement may be used in place of the writ-

ten signature on money orders drawn in favor of a firm, corporation, association, society, or individual and deposited in bank; otherwise the written signature of the person receiving payment should be placed below the stamped signature, or a special agreement executed in which the payee assumes responsibility for payments made on stamped signatures. Under no circumstances shall an indorsement be made by means of a perforating device.

(5) *Use of titles.* The paying postmaster shall not insist on the inclusion or the omission of a title or prefix such as "Dr." "Rev." "Prof." "Madam" or "Mrs." in the indorsement to an order, whether or not the payee is designated by such title or prefix in the body of the order.

§ 72.3 *Identification.*—(a) *Requirement.* Unless the applicant for payment is personally known by the postmaster or paying clerk to be the owner of the order he shall be required to prove his identity. The initials of the person paying a money order shall be entered on the back of it. If identification was required the paying employee, for his own protection, shall also enter a brief notation of the proof of identity furnished.

(b) *Responsibility for wrong payment.* If an order be paid to the wrong person through lack of precaution at the paying office, the postmaster or other paying employee will be held accountable for the amount of the order.

NOTE: In case of the wrong payment of a money order, the department will endeavor to recover the amount for the owner, provided such wrong payment did not result from the fault of the remitter, payee, or indorsee.

(c) *Report of wrong payment.* (1) When notified of the wrong payment of a money order a postmaster shall immediately forward to the Regional Accounting Office a request for a photostat of the paid order. If the complainant after examining the photostat still denies that he cashed the order the postmaster will obtain his affidavit in duplicate and send both copies with the photostat and any other information available to the inspector-in-charge of the division in which the order was cashed.

(2) If a money order intended for one person or firm is paid to another through error and without fraudulent intent the case should be reported to the Bureau of Finance for adjustment, except that where the recipient and payee are in the same city the postmaster may recover the amount from the one wrongly paid and deliver it to the rightful payee.

PAYMENT OF ORDERS TO OTHER THAN PAYEES OR REMITTERS

§ 72.4 *Indorsement.*—(a) *Authority.* The payee of a money order may, by his written indorsement thereon, direct it to be paid to any other person, and the postmaster on whom it is drawn shall pay the same to the person thus designated, provided he shall furnish such proof as the Postmaster General may prescribe that the indorsement is genuine, and that he is the person empowered to receive payment; but more than one

indorsement shall render an order invalid and not payable, and the holder, to obtain payment, must apply in writing to the Postmaster General for a new order in lieu thereof, returning the original order, and making such proof of the genuineness of the indorsements as the Postmaster General may require. (R. S. 4037, as amended; 39 U. S. C. 723)

NOTE: Money orders are not drawn on specific post offices. See note following § 72.1.

(b) *Requirements relative to payment of indorsed orders.* The payee or remitter of a money order may, by his written indorsement thereon, direct it to be paid to any other person or firm, and the order shall be paid to the person thus designated upon proper identification. When a money order is presented for payment which purports to have been indorsed to another person and the postmaster is not in a position to judge whether the signature to the indorsement is the genuine signature of the payee or remitter, he should require the indorsement to be guaranteed by someone he has reason to believe is financially responsible.

(c) *Substitutions.* The payee or the remitter of an order, but no one else, may substitute any other name for one which he has already written in the first indorsement thereon, and payment may be made to the person whose name has thus been substituted, if the order is regular in other respects.

NOTE: See § 73.2 (b) of this chapter as to payment by duplicate of order invalidated by more than one indorsement.

§ 72.5 *Payment to legal representatives.* A money order shall not be paid to a second person without written transfer or indorsement to such person by the payee or the remitter in the prescribed form provided on the reverse of the order, except as provided in the following paragraphs:

(a) *Payment on separate written order power of attorney, or assignment.* By the execution of a written order or a power of attorney a payee, remitter, or first indorsee may authorize a postmaster to pay the amounts of money orders to a representative, who should indorse the orders in the name of the principal by himself as attorney, agent, or other indication of the capacity in which he may act. If an assignment is made it should specifically authorize the assignee to collect the amounts of money orders payable to the assignor, or a separate written order or power of attorney should be executed conveying such authority.

(b) *Payment on death of payee, remitter or indorsee.* A money order belonging to a deceased remitter, payee, or first indorsee may be paid to the executor or administrator of the estate. A certified copy of the authority to act in such capacity shall be filed with the postmaster. If the estate is small and administration is not desired, the claimant should submit a copy of Standard Form No. 1055, which should be sent by the postmaster to the Bureau of Finance, for instructions. Payment shall be made in accordance with the laws of the

State in which the decedent was a resident.

(c) *Payment to representative of concern which has ceased to exist.* A money order payable to a firm, bank, or company which has ceased to exist shall be paid to the legal representative thereof.

(d) *Payment to committee or guardian.* When a committee, guardian, or other person is appointed by a court having jurisdiction to act for a person declared incompetent, money orders shall not be paid to the ward. All money orders showing the ward as payee or indorsee shall be paid only to the committee, guardian, or other duly designated person, who shall exhibit to the postmaster the authority thus to act for the ward. Such money orders shall be received in the name of the ward, followed by the signature and legal designation of the committee, guardian, or other authorized agent.

(e) *Payment to minors.* A money order payable to a minor may be paid to the father or mother thereof as natural guardian, unless legal proceedings have been instituted which make questionable the claim of the father or mother, in which case the facts should be reported to the Bureau of Finance.

§ 72.6 *Payment through bank—(a) Authority.* Money orders may be cashed by or deposited in banks and forwarded through banking channels to the Federal Reserve Banks, where the orders are delivered to regional accounting offices and the total amounts are charged against money-order funds on deposit with the Treasurer of the United States. Where banks prefer to do so money orders may be presented at their local post offices for payment.

(b) *Stamp impressions of collecting banks not considered indorsements.* The stamp impressions which banks ordinarily place upon orders left with or sent to them for collection shall not be regarded as indorsements transferring ownership of the orders or within the meaning of the statute which forbids more than one indorsement. (See § 72.4.)

PAID MONEY ORDERS

§ 72.7 *Paid money orders—(a) Stamping.* Immediately after payment of an order the paying employee shall affix an impression of the office dating stamp below the indorsement on the reverse of the money order.

(b) *Disposition of paid money orders—(1) At post offices.* Domestic money orders paid at post offices will be transmitted by official registered mail as remittances of surplus funds to central accounting offices, unless special arrangements are made to deposit them in the postmaster's official checking account.

(2) *At central accounting offices.* The money orders paid locally will be combined with those received from other post offices and deposited directly in or forwarded by official registered mail to the nearest Federal Reserve Bank or Branch of the district in which the central accounting office is located. All such deposits shall be made to the credit of the account of the Postmaster General

for surplus money-order funds, symbol 48-050.

WHEN ORDERS SHALL NOT BE PAID

§ 72.8 *Payment of orders withheld.* Payment of money orders shall be withheld under the following circumstances:

(a) When the order is presented after the expiration of one year from the last day of the month of its issue.

Note: See §§ 73.4 and 73.5, of this chapter, as to payment of such orders.

(b) When the person presenting the order is a second or subsequent indorsee.

Note: See § 73.2 (b) of this chapter, as to payment of orders indorsed more than once; § 72.1 (c), as to disregard of indorsements when presented by payee or remitter.

(c) When a money order is presented by a person for whom a guardian has been legally appointed and the postmaster has been notified of such appointment, payment of the money order shall be refused and the guardian notified that it will be paid when presented by the guardian or by someone to whom he has properly indorsed it. (See § 72.5.)

(d) When request is made by the issuing postmaster or by the remitter that payment be withheld for sufficient time to enable the remitter to furnish proof that the order was purchased by him through false representations or other fraudulent action of the payee, or who is alleged by him to be engaged in conducting a scheme or device for obtaining money through the mails by false or fraudulent pretenses, representations, or promises, the postmaster to whom the order is presented for payment shall withhold payment and forward the request, together with the proof furnished, to the Assistant Postmaster General, Bureau of Finance. When the payment of a money order is not being withheld under the conditions just stated nor its payment forbidden by the Postmaster General under the provision of § 72.9 the order shall be paid notwithstanding the protest of the remitter.

§ 72.9 *Payment of orders forbidden.* The Postmaster General may, upon evidence satisfactory to him that any person or company is engaged in conducting any lottery, gift enterprise, or scheme for the distribution of money, or of any real or personal property by lot, chance, or drawing of any kind, or that any person or company is conducting any other scheme for obtaining money or property of any kind through the mails by means of false or fraudulent pretenses, representations, or promises, forbid the payment by any postmaster to said person or company of any postal money orders drawn to his or its order, or in his or its favor, or to the agent of any such person or company, whether such agent is acting as an individual or as a firm, bank, corporation, or association of any kind, and may provide by regulation for the return to the remitters of the sums named in such money orders. This shall not authorize any person to open any letter not addressed to himself. The public advertisement by such person or company so conducting any such lottery, gift enterprise, scheme, or device, that

remittances for the same may be made by means of postal money orders to any other person, firm, bank, corporation, or association named therein shall be held to be prima facie evidence of the existence of said agency by all the parties named therein; but the Postmaster General shall not be precluded from ascertaining the existence of such agency in any other legal way. (R. S. 4141, as amended; 39 U. S. C. 732)

Note: See § 36.2 (a) of this chapter as to payment of money orders to persons or concerns using mails in connection with obscene matter; § 36.6 of this chapter as to punishment for mailing lottery matter; § 74.9 (c) of this chapter as to international money orders.

4. Part 73, Repayment of Money Orders: Duplicate Orders; Payment of Invalid Orders by Warrant, 39 CFR Part 73, is hereby amended to read as follows:

PART 73—DUPLICATE ORDERS: PAYMENT OF INVALID ORDERS

DUPLICATE ORDERS: APPLICATION AND ISSUE

Sec.

73.1 Lost valid order.

73.2 Duplicate money orders.

73.3 Where duplicate order may be paid.

INVALID ORDERS

73.4 Payment of invalid money orders.

73.5 Application for settlement check.

Authority: §§ 73.1 to 73.5, issued under R. S. 161, 396, 4027, 4040, as amended, secs. 304, 309, 42 Stat. 24, 25; U. S. C. 22, 363; 39 U. S. C. 711, 723.

DUPLICATE ORDERS: APPLICATION AND ISSUE

§ 73.1 *Lost valid order.* Whenever a money order has been lost within 1 year from the last day of the month of issue the Postmaster General, upon the application of the remitter or payee of such order, may cause a duplicate thereto to be issued, without charge, providing the person losing the original shall furnish a certificate from the postmaster by whom it was payable that it has not been, and will not thereafter be, paid; and a similar certificate from the postmaster by whom it was issued that it has not been, and will not thereafter, be repaid. * * * (R. S. 4040, as amended; 39 U. S. C. 729)

Note: As money orders are not drawn on specific post offices, certificates of nonpayment are furnished by the issuing postmaster and the director of the regional accounting offices.

§ 73.2 *Duplicate money orders—(a) Duplicate orders issued only by Department.* Duplicate money orders shall be issued only by the Department and not by postmasters under any circumstances. A duplicate money order becomes invalid if not presented for payment within 1 year from the last day of the month of issue of the original.

(b) *Application.* Any postmaster may accept from the remitter, payee, or indorsee an application for a duplicate of a lost, destroyed, or mutilated money order or one rendered void by too many indorsements, within 1 year from the last day of the month of issue of the original. If the application is filed at a post office other than the one that issued the original order, it shall be transmitted to the issuing officer for certification.

NOTE: See § 73.5 as to application for settlement check where orders are more than 1 year old.

(c) *Forwarding of application*—(1) *Where*. Upon completion, each application shall be forwarded to the regional accounting office, which serves the region in which the issuing office is located, for certification and transmission to the Bureau of Finance; except that those accompanied by a bond of indemnity or by a mutilated, defaced, or illegally indorsed money order shall be forwarded direct to the Bureau of Finance.

(2) *When*. The postmaster at the issuing office shall not certify or forward an application for a duplicate order prior to the expiration of 36 days following the date on which the original was issued. An application may be accepted, certified, and forwarded at once if the mutilated or illegally indorsed order accompanies it, or if the person in whose favor the application is made shall execute a good and sufficient bond of indemnity in a penal sum not less than the amount of the order, conditioned upon the refund of the amount paid on the duplicate in the event that after payment thereof any other person shall establish a valid claim to the original order, or in case the original has been paid to the rightful owner.

(d) *Consent of payee or indorsee*—(1) *Required*. A duplicate of an order lost before indorsement shall be issued to the payee upon his application, but if the order was indorsed the consent of either payee or indorsee shall be obtained before the duplicate is issued to the other; likewise, if the remitter applies for a duplicate in his favor, a waiver of claim by the payee and indorsee, if any, shall be obtained unless the order was lost before mailing or the mutilated order accompanies the application.

(2) *Certificate of genuineness of consent; bond*. When an application for a duplicate order contains one of the forms of waiver of claims required by subparagraph (1) of this paragraph, the genuineness of the signature thereto shall be certified by the postmaster at the place where the payee or indorsee resides. Other postmasters shall aid, so far as they may be able, in obtaining the waiver required by this section. If the payee or indorsee is dead or incompetent, his legal representative shall sign the form and shall be required to exhibit to the postmaster who certifies to such waiver the documentary evidence of his authority to act in that capacity. After the lapse of a reasonable time, if the payee or indorsee, or his legal representative, cannot be found, satisfactory evidence of that fact shall be forwarded to the Bureau of Finance, with the application for duplicate. A blank bond of indemnity, in a penal sum of the amount of the lost order, shall then, if necessary, be sent to the remitter for execution and return to the Department. The condition of such bond shall be that if, after the issue and payment of a duplicate to the remitter, any other person shall establish a valid adverse claim to the original order, the amount paid on the dupli-

cate will be refunded to the Department upon demand.

(3) *If payee refuses consent*. If the payee will not sign consent to issue of the duplicate in favor of the remitter, the postmaster before whom the payee appears shall complete and certify to an application signed by the payee or indorsee for a duplicate to be drawn in favor of such applicant and, after writing across the face of the first application the words "Consent for duplicate in favor of the remitter refused" shall send both applications to the postmaster at the office of issue. The latter shall then notify the remitter that the payee or indorsee demands the duplicate order, and, after changing his records and destroying the application in favor of the remitter, shall forward the application in favor of the payee or indorsee.

§ 73.3 *Where duplicate order may be paid*. A duplicate money order shall be paid at any post office under the conditions governing the payment of original money orders.

NOTE: See §§ 72.1 and 72.2 of this chapter as to payment of original money orders; § 73.5 as to payment by settlement check when duplicate has become invalid by reason of age.

INVALID ORDERS

§ 73.4 *Payment of invalid money orders*—(a) *By warrant (settlement check) only*. Domestic money orders shall not be paid at the offices upon which they are drawn, or at the offices of issue, after 1 year from the last day of the month of issue of such money orders; but such money orders shall be sent to the Post Office Department and shall be paid by a warrant of the Postmaster General countersigned by the Comptroller General of the United States * * * (See § 17.15 of this chapter) (Sec. 5, 22 Stat. 528, as amended, 39 U. S. C. 718)

NOTE: Under the Post Office Department Financial Control Act of 1950 (64 Stat. 460; 39 U. S. C. 794-794f), settlement checks are countersigned by the Comptroller, Bureau of Accounts, Post Office Department. See § 17.15 of this chapter; also note following § 72.1 (a) of this chapter.

(b) *Authority for after 7 years*. The Postmaster General upon evidence satisfactory to him, and under such special regulations as he shall prescribe, may cause payment to be made in the manner prescribed in sections 718 and 729 of this title (Title 39, U. S. C.) of the amount of any money order remaining unpaid after the lapse of 7 years from the date of its issue. (Sec. 4, 28 Stat. 107, as amended; 39 U. S. C. 730)

(c) *Authority for after 3 years; General Accounting Office record*. The Postmaster General, upon evidence satisfactory to him, and under such special regulations as he shall prescribe, may cause payment to be made in the manner prescribed in sections 718 and 729 of this title (Title 39, U. S. C.) of the amount of any domestic money order remaining unpaid after the lapse of 3 years from the date of its issue. It shall be the duty of the General Accounting Office to maintain a complete and permanent record of all unpaid money orders is-

sued by postmasters in the United States, or such of its insular possessions as are amenable to the authority of the Postmaster General for payment within its own territory, such record to serve as a basis for adjudicating claims for payment by warrant of the amounts of said orders. (35 Stat. 416, as amended; 39 U. S. C. 731)

NOTE: Under the Post Office Department Financial Control Act of 1950 (64 Stat. 460; 39 U. S. C. 794-794f) the words "Post Office Department" should be substituted for "General Accounting Office."

(d) *Payment of lost invalid money order*. Whenever a money order, which has not been paid within 1 year from the last day of the month of issue, has been lost, the Postmaster General, upon the application of the remitter or payee of such order, shall issue a warrant for the payment thereof, as provided for in section 718 of this title (Title 39, U. S. C.) without charge, on the certificate of the General Accounting Office, or upon such other proof satisfactory to the Postmaster General, that the order has not been paid. (R. S. 4040, as amended; 39 U. S. C. 729)

NOTE: Under the Post Office Financial Control Act of 1950 (64 Stat. 460; 39 U. S. C. 794-794f) the words "Post Office Department" should be substituted for "General Accounting Office."

§ 73.5 *Application for settlement check*—(a) *Without bond*. The holder of an original or duplicate money order which remains unpaid after the lapse of one year from the last day of the month of issue of the original, in order to obtain payment of the amount thereof, shall present such original or duplicate order to the postmaster at any post office, who shall assist the patron in completing an application for a settlement check, attach the order thereto, and forward it directly to the Bureau of Finance. If the original order is not available, the application should be sent to the issuing postmaster, who shall compare the particulars thereon with those in the remitter's application on Form 6001, and if correct, he shall certify in the space provided for that purpose and transmit the Form 6403 to the Bureau of Finance. If the Department is satisfied that the order has not been paid and that the applicant is entitled thereto, a settlement check for the amount thereof, drawn on the Treasurer of the United States, will be issued without charge to the applicant and mailed to his address.

(b) *Bond of indemnity; Application by legal representative*. The Department, before issuing a settlement check for the amount of an invalid money order, whether to the remitter, payee, or indorsee, or legal representative, heirs, or assigns of either, may require him or them to furnish a bond of indemnity in a penal sum of the amount of the money order, for the purpose of securing the Department against loss in the event that any other person shall establish a valid adverse claim to the order. In case the owner of the money order is deceased the legal representative of the deceased shall also execute Standard Form No. 1055. When application is made by an administrator, executor,

legal representative of an insolvent bank or firm, assignee, trustee, guardian, or committee for an incompetent person, the applicant shall be required to furnish the Department documentary evidence of the appointment to act in that capacity.

5. Part 74, International Money-Order Service, 39 CFR, Part 74, is hereby amended to read as follows:

PART 74—INTERNATIONAL MONEY-ORDER SERVICE

GENERAL PROVISIONS

- Sec.
74.1 Establishment of international money-order service.
74.2 Regulations applicable.
74.3 International money-order post offices.
74.4 Fees.
DIRECT AND INDIRECT EXCHANGE: EXCHANGE OFFICES
74.5 Types of international money-order service.
74.6 List of United States exchange offices.

ISSUE OF INTERNATIONAL MONEY ORDERS

- Sec.
74.7 Application.
74.8 Issue of international order.
74.9 Advice.
74.10 Errors.

PAYMENT AND REPAYMENT OF INTERNATIONAL ORDERS

- 74.11 Repayment of international money orders.
74.12 Payment of orders.

PAYMENT OF INTERNATIONAL ORDERS WITHHELD

- 74.13 Circumstances under which payment of international orders should be withheld.
74.14 Invalid international orders.
74.15 Payment of international orders forbidden.

AUTHORITY: §§ 74.1 to 74.15 issued under R. S. 161, 396, 4028, as amended, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369; 39 U. S. C. 712.

GENERAL PROVISIONS

§ 74.1 *Establishment of international money-order service.* The Postmaster General may conclude arrangements with the post departments of foreign Governments with which postal conventions have been or may be concluded for the exchange, by means of postal orders, or small sums of money, not exceeding one hundred dollars in amount, at such rates of exchange * * * and under such rules and regulations as he may deem expedient; and the expenses of establishing and conducting such systems of exchange may be paid out of the proceeds of the money-order business. (R. S. 4028, as amended; 39 U. S. C. 712)

§ 74.2 *Regulations applicable.* The regulations of the domestic money-order service shall apply to the transaction of international money-order business, except as modified herein or as prescribed in the Post Office Manual or the List of International Money-Order Offices, Form XIV.

§ 74.3 *International money order post offices.* International money-order business shall be transacted at all post offices of the first class and at such post offices of the second, third, and fourth classes as may be so designated by the Bureau of Finance. Each of these offices is sup-

plied with a copy of the List of International Money-Order Offices, Form XIV. Postmasters not authorized to transact international money-order business shall not issue money orders to be paid in foreign countries, except under the provisions of Part 75 of this chapter.

NOTE: See § 75.1 of this chapter relative to post offices authorized to transact international money-order business on the domestic basis.

§ 74.4 *Fees.* Fees for money orders drawn on the international form for payment in foreign countries are as follows:

For orders from—	
\$0.01 to \$10.....	\$0.10
\$10.01 to \$20.....	.20
\$20.01 to \$30.....	.30
\$30.01 to \$40.....	.40
\$40.01 to \$50.....	.50
\$50.01 to \$60.....	.60
\$60.01 to \$70.....	.70
\$70.01 to \$80.....	.80
\$80.01 to \$90.....	.90
\$90.01 to \$100.....	1.00

DIRECT AND INDIRECT EXCHANGE: EXCHANGE OFFICES

§ 74.5 *Types of international money-order service.* Four types of international money-order service are provided, the countries in each classification being listed in tables 1, 2, 3, and 4, respectively, of the International List as described in the following paragraphs:

(a) On the domestic basis as prescribed in Part 75 of this chapter the countries being listed in table 1.

(b) Direct exchange: Where dissimilarity of language, monetary systems, or methods necessitate that course, money-order business shall be transacted through exchange offices acting for each country. In table No. 2 are listed countries in which payment is made on the money orders issued in this country. The countries listed in table 3 make payment on orders issued at their respective exchange offices.

(c) Indirect exchange: In table No. 4 are listed countries with which money orders are not exchanged directly. Orders drawn on those countries shall be sent through the intermediary of one of the countries listed in tables 2 and 3.

§ 74.6 *List of United States exchange offices.* The following offices are authorized to certify money orders of United States issue:

(a) New York for all countries in Africa, Europe, and South America, also for Lebanon and Syria.

(b) New Orleans for the countries of Central America.

(c) El Paso and Laredo, for Mexico.

(d) San Francisco for Japan (except as noted in paragraph (e) of this section) New Zealand, the Republic of the Philippines, and the Commonwealth of Australia, consisting of New South Wales, Queensland, South Australia, Tasmania, Victoria, and Western Australia.

(e) Seattle for Japan only, for all offices in Alaska, Idaho, Minnesota, Montana, North Dakota, Oregon, and Washington.

(f) Honolulu for trans-Pacific countries for offices in the Hawaiian Islands and for orders issued in Guam for payment in Japan.

(g) The postmaster at Pago Pago, Tutuila, Samoa, is authorized to certify his own orders to trans-Pacific countries.

(h) Guam for orders issued in Guam and Wake Island payable in the Republic of the Philippines.

ISSUE OF INTERNATIONAL MONEY ORDERS

§ 74.7 *Application—(a) Preparation.* Applications for international money orders shall be submitted on forms provided therefor. Postmasters and postal employees shall not fill in the applications, except in the case of c. o. d. orders, but may advise the applicants in doing so and should see that the applications are complete and the entries clearly understood.

(b) *Record of transaction.* A memorandum of all action taken in regard to an international money order, such as issue of a duplicate advice, application for repayment, inquiry as to payment, etc., shall be entered on the remitter's application.

§ 74.8 *Issue of international order.* An international money order is composed of an order, advice, coupon and receipt, which shall be filled in by the postmaster or issuing clerk in accordance with the instructions in the List of International Money-Order Offices, Form XIV. Issuing employees shall exercise great care in the issue of international money orders to make sure that the entries on order, advice and receipt are complete and correct. Should loss be sustained through error in the issue of an order the one at fault will be held liable.

§ 74.9 *Advice—(a) Preparation.* It is essential that issuing clerks copy in the advice every detail given in the remitter's original application. The omission or inaccuracy of an entry may result in wrong payment for which the issuing postmaster will be held responsible. If necessary the remitter may write in his own language the name and address of the payee on a form provided for this purpose.

(b) *Responsibility for double payment.* If double payment results from lack of precaution in furnishing a duplicate (second) advice the postmaster at fault will be held responsible for the amount overpaid.

(c) *Payment forbidden.* When an advice of a money order drawn in favor of a payee to whom payment is forbidden by Order of the Postmaster General (see § 72.9 of this chapter) the advice and coupon (and canceled order if drawn on a country listed in table 3) shall be forwarded to the Bureau of Finance by the exchange office, with a form stating that the order has not been certified.

§ 74.10 *Errors—(a) Discovered before delivery to purchaser.* If an error in issue is discovered before delivery to the purchaser all parts of the international order shall be treated as "Not Issued" and the next following form issued. No fee shall be charged for a "Not Issued" order. The spoiled forms shall be forwarded with the next money-order account.

(b) *Discovered after delivery to purchaser.* In no case shall an international

money order be treated as "Not Issued" after the order, advice, or receipt has passed beyond the control of the issuing postmaster. If an error is then detected the instructions in the List of International Money-Order Offices, Form XIV should be followed carefully.

PAYMENT AND REPAYMENT OF INTERNATIONAL ORDERS

§ 74.11 *Repayment of international money orders.* Under no circumstances shall an international money order drawn on any country named in table 2 or 3 of the International List be repaid without express authority from the Bureau of Finance.

§ 74.12 *Payment of orders.* The regulations relative to the payment of domestic money orders, except where inapplicable or otherwise modified, shall apply equally to international orders. Greater care shall be exercised in regard to the latter class of orders because of the increased liability to error arising from the inability in many instances, of the persons presenting such orders to speak the English language.

PAYMENT OF INTERNATIONAL ORDERS WITHHELD

§ 74.13 *Circumstances under which payment of international orders should be withheld.* Payment of an international order shall be withheld under the following circumstances:

- (a) When an advice has not been received.
- (b) When advice has not been certified.
- (c) When the amount is not plainly stated therein.
- (d) When the name given by the payee does not correspond with that in the order and advice.
- (e) When the order or advice contains an alternation or erasure affecting the amount or the name of the payee.
- (f) When the order bears two or more indorsements. (See § 72.1 (e) of this chapter as to order presented by original payee or first indorsee.)
- (g) When the order is invalid by reason of age.
- (h) When the Postmaster General has by Order (Fraud, Unlawful, etc.) forbidden payment.

§ 74.14 *Invalid international orders.* By the terms of the conventions with the various foreign countries with which the United States exchanges money orders, those which remain unpaid for one year from the date of issue become invalid. Postmasters shall send promptly to the Bureau of Finance the advices of all international money orders which become invalid by reason of age.

§ 74.15 *Payment of international orders forbidden.* When the Postmaster General has issued an Order (Fraud, Unlawful, or other) forbidding payment of money orders to a person or firm, international money orders payable to such person or firm shall not be paid and the advices shall be sent at once to the Bureau of Finance.

6. Part 75, Semidomestic Money-Order Service, 39 CFR, Part 75, is hereby amended to read as follows:

PART 75—SEMI-DOMESTIC MONEY-ORDER SERVICE

GENERAL PROVISIONS

- Sec.
75.1 Establishment of semidomestic money-order service.
75.2 Domestic regulations govern.
75.3 Correspondence.

ISSUE OF ORDERS

- 75.4 Application and issue.
75.5 Advices.

PAYMENT

- 75.6 Payment.

LOST AND INVALID ORDERS

- 75.7 Applications for duplicate orders.

AUTHORITY: §§ 75.1 to 75.7 issued under R. S. 161, 396, 4027, 4028, as amended, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369; 39 U. S. C. 711, 712.

GENERAL PROVISIONS

§ 75.1 *Establishment of semidomestic money-order service.* Under the authority granted by § 74.1 of this chapter, the Postmaster General from time to time has concluded arrangements with the postal administrations of certain foreign countries for the transaction of money-order business on the domestic basis. The names of such countries will be found under the title "Postal Money Order System" in table No. 1, which appears in Part I of the Official Postal Guide.

§ 75.2 *Domestic regulations govern.* As far as practicable the regulations concerning domestic money-order business shall govern the transaction of money-order business with the countries named, except as otherwise herein modified, or by instructions issued in the Official Postal Guide, the Post Office Manual, and the List of International Money-Order Offices.

§ 75.3 *Correspondence.* Postmasters are expressly forbidden to correspond with the postal administrations of foreign countries with which business is conducted on a domestic basis or with postmasters therein regarding money orders, except to apply for the particulars of an order by means of an advice or to forward an advice of an order. Inquiries concerning the payment of orders intended for payment in those countries shall be addressed to the regional accounting office serving the post office at which the order was issued. All other correspondence shall be referred to the Bureau of Finance.

ISSUE OF ORDERS

§ 75.4 *Application and issue.* Application shall be made on Form 6001 and care should be exercised to see that all necessary particulars are given. The orders shall be issued on the domestic form and shall be delivered to the remitter for transmission to the payee. No

advices are necessary for any country in this group. The fees and limitation of amount are the same as for domestic orders and are prescribed in § 71.6 of this chapter.

§ 75.5 *Advices—(a) Furnished by certain countries.* The arrangements concluded with some of the countries provide for the use of a separate advice form in exchange of money orders. Postmasters shall consult the Official Postal Guide and Post Office Manual to ascertain which countries use advices.

(b) *Invalid advices.* At the end of 1 year from the last day of the month of issue the advices of orders which were issued in any of these countries and which remain unpaid during that period shall be sent to the Bureau of Finance.

PAYMENT

§ 75.6 *Payment—(a) Examination.* When a money order issued in a country with which business is transacted on the domestic basis is presented for payment, the postmaster shall examine it to see that it is properly drawn, signed, and stamped. If the order was issued in a country which furnishes an advice, the advice must be on file and comparison made to ascertain that it corresponds in every particular with the order.

NOTE: See § 72.3 of this chapter regarding identification of applicant and responsibility for wrong payment.

(b) *Repayment.* Repayment of an order issued for payment in one of the countries with which business is conducted on the domestic basis, may be effected upon presentation before it has become invalid by reason of age, provided an application for a duplicate has not been certified. When money orders drawn on Canada are issued at a discount or premium they shall be repaid only in the amount in United States money which was paid at the time of issue.

LOST AND INVALID ORDERS

§ 75.7 *Application for duplicate orders.* Duplicates of orders are issued by the Department in the country of origin. Applications on Form 6402 for duplicates of orders issued in the United States shall be forwarded to the proper regional accounting office. Applications for duplicates to be issued in any of the countries named in table 1 (Part 1, Official Postal Guide) shall be forwarded to the Bureau of Finance.

NOTE: When such an order issued in the United States become invalid by age the applicant for payment should submit at any post office an application for a settlement check, which the postmaster will forward to the Bureau of Finance. If the order was issued in a foreign country the order and application likewise should be sent to the Bureau of Finance.

[SEAL]

ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-7987; Filed, Sept. 15, 1953;
8:46 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

17 CFR Part 925 I

[Docket No. AO-226-A3]

HANDLING OF MILK IN PUGET SOUND, WASHINGTON, MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER AMENDING ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900) a public hearing was conducted at Seattle, Washington, on August 10-11, 1953, pursuant to notice thereof issued on July 23, 1953 (18 F. R. 4381).

The material issues of record related to several aspects of the regulation in effect. This decision covers only the question of providing modified conditions under which producer milk may be moved from fluid milk plants or country plants to other fluid milk plants or country plants for manufacturing purposes for a temporary period. It is determined that emergency action is required on such matter. It is concluded that the remaining issues should not be decided under emergency procedure and should not delay action on the issue dealt with herein. Decision on such remaining issues therefore is reserved to a later date.

Rulings on proposed findings and conclusions. Only one brief on the record was filed on behalf of producers or handlers. Such brief contained proposed findings and conclusions with respect to the issue under consideration herein. To the extent that the findings and conclusions of this decision are at variance with such proposed findings and conclusions, the request to make such findings and conclusions is hereby denied.

Findings and conclusions. The following findings and conclusions on the issue decided herein are hereby made upon the basis of the record of the hearing:

(1) The provisions of the order under which milk is classified when transferred from fluid milk plants or country plants to other fluid milk plants or country plants should be revised.

Producer organizations handling a large proportion of the reserve milk supply of the market proposed that the manufacturing milk facilities operated in the same building with a fluid milk plant or country plant be considered as a "nonpool plant" for the purpose of receiving producer milk on transfer or diversion from any fluid milk plant or country plant at which such producer milk customarily is received. Under the proposal the term "nonpool plant"

would apply, in such cases, only to that portion of a plant used to receive or process milk or milk products required by applicable health authority regulations to be kept physically separate from milk qualified for disposition to consumers in fluid form within the marketing area.

The order originally issued for the Puget Sound marketing area specified that facilities for receiving and processing manufacturing milk operated in conjunction with a country plant would be considered as a nonpool plant. It became necessary following a period of experience under the order to revise the definition of "country plant" to include such milk handling facilities. This change was made to insure adequate reporting of milk utilization by handlers and the proper accounting and classification of producer milk priced under the order. The revised definition of country plant thus removed manufacturing facilities operated in this manner from the category of nonpool plants. From such change, and because of an increase in producer milk supply and the rapid development of the "farm tank" system of transporting milk from farms to plants, the problem of transferring and diverting reserve producer milk to manufacturing outlets by the most economical means was aggravated.

The testimony of proponents indicates that the only sizable manufacturing facilities remaining are located in the peripheral area of the milkshed, and that in the interest of the economical transportation of milk from farm to plant and the highest return to producers such facilities should be so located. In this way reserve milk can be converted into manufactured milk products without being subjected to excessive transportation costs and without retracing hauling routes. The cooperative associations have closed certain plants in District 1 where manufacturing formerly took place in order to assemble larger quantities of milk for manufacture at outlying plants (Districts 2 and 3) to take advantage of lower manufacturing costs in the outlying sections, and to improve the utilization value of milk to producers. As a result facilities for manufacturing producer milk into milk products at locations within District 1 have dwindled and the milk plants which currently are operated in such district are designed primarily to receive and process fluid milk for city markets. Also, the closing of certain plants in District 1 has made it increasingly necessary to move additional quantities of excess Grade A milk produced within District 1 to manufacturing outlets in Districts 2 and 3.

In view of the above changes in marketing conditions the present provisions of the order which govern the movement of milk between plants and the diversion of milk to nonpool plants from the farm result in higher than appropriate milk costs to handlers in certain instances. For example, any milk moved from a plant in District 1 to a fluid milk plant

in District 2 must be assigned to Class I milk to the extent that Class I milk was disposed of from the latter plant. Although the District 2 plant otherwise would be entitled to a location adjustment credit of 40 cents per hundredweight on its Class I utilization such plant does not receive a location adjustment credit with respect to any District 1 milk received, since under the transfer provisions such milk is allocated to Class I milk and the District 1 plant from which the milk was moved is not entitled to a location adjustment on such milk. Since neither the District 1 producer nor the District 1 plant receives a corresponding credit in the amount of the location adjustment in this case, the pool gains to the extent of 40 cents per hundredweight when milk is moved from plants in District 1 to fluid milk plants in District 2. In at least one instance illustrated in the testimony a plant which qualifies as a fluid milk plant in District 2 is an important outlet for milk for manufacturing purposes. A similar situation exists as to movements from District 1 plants to fluid milk plants in District 3.

In other instances Grade A milk which originates on a farm in District 1 and ordinarily is delivered to a District 1 plant is taken directly into regulated plants in District 2. In such cases, the handler or cooperative association competitively must pay producers the full District 1 producer price without location adjustment even though the milk actually goes temporarily into a District 2 plant. The plant in District 2 receives credit in the pool for paying only the District 2 price, which is reduced by the applicable location adjustment. Thus, under present provisions the pool, in effect, gains 40 cents per hundredweight also when producer milk is moved directly from farms located in District 1 to fluid milk plants or country plants in Districts 2 or 3.

Certain expedients have been adopted by handlers to avoid the above effects of the order. In some cases milk has been hauled to a District 1 plant and then reloaded and hauled to plants in District 2 with increased hauling expense and retracing of routes. In other instances involving large quantities of milk, handlers voluntarily have withdrawn country plants from status as such, placing such plants in the category of nonpool plants in order to make adequate manufacturing facilities available. Under the transfer and location adjustment provisions in effect milk may be moved from District 1 plants to nonpool plants located in District 2 without the pool "charge" referred to above. However, without revision of the order the latter measure will not be available in October, November, and December. In such months the subject plants are not permitted to retain their nonpool plant status unless they become degraded for the receipt of Grade A (producer) milk by the appropriate authorities. Although the amount of reserve producer milk available for manufacturing during the fall and win-

ter months should be less than in the period just past, there will continue to be a significant quantity of producer milk from District 1 farms in all months which cannot be properly handled in District plants since plants in District 1 close down on week-ends and no milk is received on Sundays. The resulting week-end excesses are moved to manufacturing outlets which are located primarily in Districts 2 and 3 and will continue to be so moved in view of the closing of most plants in District 1 where there previously had been manufacturing facilities.

The order should not make it necessary to degrade inspected plant facilities to enable the orderly disposition of reserve milk supplies. For the remainder of this year orderly marketing of reserve milk can be accomplished by revising the basis on which milk may be received at fluid milk plants or country plants having separate milk manufacturing facilities. When a handler moves producer milk in bulk from a fluid milk plant or country plant to another fluid milk plant or country plant where such manufacturing facilities are present it should be considered as a transfer to a country plant and thereby classified as Class II milk. Such classification should prevail even though the transferring handler does not receive the milk physically in the plant from which it is moved for utilization in the transferee plant.

The specific language of the proposed amendment submitted by the producers would have treated such movements of milk as movements to a nonpool plant. However, the objectives of both amendment proposals are designed to accomplish the same objective and will have essentially the same effects. The amendment adopted should provide adequate relief but should be subject to reconsideration for the longer term when conclusions are reached in a subsequent decision on the other issues of the hearing, some of which bear relationship to the present issue and may require revision or elimination of the particular language adopted by this decision.

(2) The due and timely execution of the function of the Secretary under the act imperatively and unavoidably requires the omission of a recommended decision by the Assistant Administrator, Production and Marketing Administration, and the opportunity for exceptions thereto, on the above issue.

The conditions complained of are such that it is urgent that remedial action be taken as soon as possible. Delay beyond the minimum time required to make the attached order effective would defeat the purpose of such amendment. Accordingly, the time necessarily involved in the preparation, filing, and publication of a recommended decision, and exceptions thereto, would make such relief ineffective and therefore should be eliminated in this instance. The notice of hearing stated that consideration would be given to the question of whether economic and marketing conditions require emergency action with respect to any or all amendments deemed necessary as the result of the hearing. Action under the procedure described above was requested by proponents and certain other

interested parties at the hearing. No opposition was registered at the hearing to either the objectives of the proposal or the use of such emergency promulgation procedure.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the proposed marketing agreement and in the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(c) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and are applicable only to persons in the respective classes of industrial and commercial activity specified in, the said marketing agreement upon which a hearing has been held.

Determination of representative period. The month of July 1953 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the order amending the order, now in effect, regulating the handling of milk in the Puget Sound, Washington, marketing area, in the manner set forth in the attached amending order is approved or favored by producers who, during such period, were engaged in the production of milk for sale in the marketing area specified in such marketing order.

Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Puget Sound, Washington, Marketing Area," and "Order Amending the Order, as amended, Regulating the Handling of Milk in the Puget Sound, Washington, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing Agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 10th day of September 1953.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

Order¹ Amending the Order, as Amended, Regulating the Handling of Milk in the Puget Sound, Washington, Marketing Area

§ 925.0 **Findings and determinations.** The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order, and of the previously issued amendments thereto and all said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) **Findings upon the basis of the hearing record.** Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900) a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Puget Sound, Washington, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Puget Sound, Washington, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended as follows:

¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

1. Add the following as § 925.44 (a) (5)

(5) Notwithstanding the prior provisions of this paragraph, any such skim milk and butterfat caused to be moved in bulk by a handler from any fluid milk plant or country plant either by transfer or without being received therein to a fluid milk plant which maintains facilities used to receive milk or milk products required by applicable health authority regulations to be kept physically separate from milk qualified as described in § 925.12 shall be deemed for the period ending with December 31, 1953, to have been transferred by such handler to a country plant and shall be classified in accordance with the provisions of paragraph (b) of this section.

2. Add the following as § 925.44 (b) (5)

(5) Notwithstanding the prior provisions of this paragraph, any such skim milk and butterfat caused to be moved in bulk by a handler from any fluid milk plant or country plant without being received therein to a country plant which maintains facilities used to receive milk or milk products required by applicable health authority regulations to be kept physically separate from milk qualified as described in § 925.12 shall be deemed for the period ending with December 31, 1953, to have been transferred by such handler to a country plant and shall be classified in accordance with the provisions of this paragraph.

Order of the Secretary Directing That a Referendum Be Conducted Among the Producers Supplying Milk in the Puget Sound, Washington, Marketing Area, and Designation of an Agent To Conduct Such Referendum

Pursuant to section 8c (19) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 608c (19)) it is hereby directed that a referendum be conducted among the producers (as defined in the order, as amended, regulating the handling of milk in the Puget Sound, Washington, marketing area) who, during the month of July 1953 were engaged in the production of milk for sale in the marketing area specified in the aforesaid order to determine whether such producers favor the issuance of the order amending such order which is a part of the decision of the Secretary of Agriculture filed simultaneously herewith.

Nicholas L. Keyock is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders as published in the FEDERAL REGISTER on August 10, 1950 (15 F. R. 5177)

Done at Washington, D. C., this 10th day of September 1953.

[SEAL] JOHN H. DAVIS,
Assistant Secretary of Agriculture.

[F. R. Doc. 53-8006; Filed, Sept. 15, 1953; 8:50 a. m.]

[7 CFR Part 972]

[Docket No. AO-177-A12]

HANDLING OF MILK IN THE TRI-STATE
MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND
OPPORTUNITY TO FILE WRITTEN EXCEP-
TIONS WITH RESPECT TO PROPOSED
AMENDMENTS TO TENTATIVE MARKETING
AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900) notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Tri-State marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., not later than the close of business the 14th day after publication of this decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing, on the record of which the proposed amendment to the tentative marketing agreement and to the order, as amended, was formulated, was conducted at Gallipolis, Ohio, on May 13-15, 1953, pursuant to notice thereof which was issued on April 23, 1953 (18 F. R. 2452).

The material issues of record relate to:

1. The scope of the regulations imposed by the order, particularly with respect to (a) the extent of the marketing area within which the handling of milk is to be regulated, and (b) the milk handling plants to which such regulations should apply.

2. The method of distributing among producers the amounts handlers are required to pay for milk;

3. Prices to be paid by handlers for milk; and

4. Seasonal variation in returns to producers for milk.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof.

Marketing area. Proposals were made to extend the marketing area by including therein Boyd and Greenup Counties, Kentucky; Gallia, Jackson, Lawrence, Meigs, Pike, and Washington Counties, Ohio; and Cabell, Mason, Wayne, and Wood Counties, West Virginia. Presently included in the marketing area are the city of Ashland in Boyd County, Kentucky; the cities of Gallipolis, Ironton, and Marietta in Gallia, Lawrence, and Washington Counties, Ohio respectively; the city of Huntington in Cabell and Wayne Counties, West Virginia, the city of Parkersburg in Wood County, West

Virginia; and Athens and Scioto Counties, Ohio.

The marketing area is defined to delineate that area within which the handling of milk is to be regulated. Important considerations in resolving these proposals to extend the marketing area are:

1. The comparability of local health regulations and their enforcement throughout all parts of the area;

2. The extent to which handlers now regulated under the order do business and compete for sales with unregulated handlers in the territory proposed for inclusion; and

3. The need for regulation in the area proposed.

In view of these considerations, it is concluded that the marketing area should be extended to include the following territory:

1. Boyd County, Kentucky, which includes the cities of Ashland and Catlettsburg;

2. Gallipolis Township of Gallia County, Ohio, which includes the city of Gallipolis;

3. All of Jackson County, Ohio, except Bloomfield, Hamilton, and Jackson Townships (this includes the cities of Jackson and Wellston);

4. Fayette, Hamilton, Perry, Rome, Union, and Upper Township of Lawrence County, Ohio, which includes the city of Ironton;

5. Beaver, Jackson, Marion, Pee Pee, Scioto, Seal, and Union Township of Pike County, Ohio;

6. Belpre, Marietta and Muskingum Townships of Washington County, Ohio, which includes the city of Marietta;

7. All of Cabell County, West Virginia, except McComas and Union Magisterial Districts; and Ceredo, Union, and Westmoreland Magisterial Districts of Wayne County, West Virginia (this includes the cities of Huntington and Kenova)

8. Graham, Lewis, and Waggener Magisterial Districts of Mason County, West Virginia, which includes the city of Point Pleasant; and

9. Lubeck, Parkersburg, Tygart, and Williams Magisterial Districts of Wood County, West Virginia, which includes the cities of Parkersburg and Vienna.

All of the areas proposed herein to be added to the marketing area are subject to similar health regulations and enforcement procedures governing milk supplies except Jackson and Pike Counties, and these counties are in the process of adopting similar regulations and establishing a staff for administering the regulations.

All of these areas are served to a large extent by handlers presently regulated by the order. In Boyd County, Kentucky, Gallia County, Ohio, and Cabell and Wayne Counties, West Virginia, milk distributors not presently regulated by the order have been selling milk just outside of the present boundaries of the marketing area in direct competition with handlers regulated under the order. In some instances these unregulated distributors have been procuring milk on a

flat price basis without regard to use of milk as distinguished from the price plan prevailing for the marketing area. Any competitive advantage which any unregulated milk distributor such as those mentioned may have on the basis of prices paid farmers for milk of comparable quality in areas served largely by handlers regulated under the order should be removed by making such areas a part of the marketing area and subject to regulation as imposed by the order.

Construction has recently been started on a new atomic energy plant in Pike County, Ohio. Estimates indicate a peak construction employment late in 1954 by which time about 36,900 persons (including construction workers and their families) will have moved into this area. Additional large numbers of people will undoubtedly move to this area to supply goods and services for these construction workers. It is estimated that this temporary increase in population will settle about as follows: Pike County, 60 percent; Scioto County, 25 percent; Jackson County, 10 percent; and Ross County, 5 percent.

The shift from construction to operation of this new plant is expected to be gradual. When the shift has been completed, it is expected that the permanent population increase due to plant workers and their families will be about 6800.

Proposals for 5,200 housing units and 26 trailer parks in Pike County have already been submitted to county officials.

Milk is presently supplied to eastern Pike County by several handlers under the order by a local distributor at Waverly by the Jackson distributor mentioned below and to a small extent by a distributor at Banbridge, Ohio, who distributes milk processed and packaged at Washington Court House, Ohio. Since the announcement of the atomic energy plant, milk distribution in eastern Pike County has become much more competitive and this trend will probably continue as population increases.

Included in the portion of Jackson County which would become a part of the marketing area is the southwestern part of the county where some of the increased population resulting from the new atomic energy plant in Pike County is settling.

Milk is distributed in Jackson County by several handlers under the order, by a distributor at McArthur, Ohio, and by two local distributors, one at Jackson and one at Wellston, who are not presently regulated by the order. Substantially all of the area served by these two local distributors would be in the marketing area. The new atomic energy plant is making milk distribution in the surrounding area much more competitive—certain milk distributors have recently started routes in this area.

Inclusion of these portions of Pike and Jackson County in the marketing area will remove any competitive advantages based on prices paid farmers for milk and will thus tend to stabilize the marketing of milk in this rapidly growing area.

Other areas which were proposed to be included in the marketing area but which are excluded in the above conclusions are primarily rural and sparsely populated and need not be included in the marketing area.

This extension of the marketing area will bring into the marketing area populous areas adjacent to the present marketing area which have heretofore not been a part of the marketing area, but which have been served primarily by handlers under the order.

Fluid milk plant. The term "fluid milk plant" is used in the order to denote those plants at which the handling of milk shall be fully subject to the order. At the present time a "fluid milk plant" is defined as a plant out of which a route is operated wholly or partially within the marketing area. Thus a plant from which no route is operated in the marketing area (called a nonfluid milk plant in the order) but from which milk is supplied in bulk to a plant from which such a route is operated is not subject to the pricing and payment provisions of the order and the milk obtained from such a plant is not priced by the order.

Substantial proportions of the market supply of milk and butterfat have been obtained from these unregulated nonfluid milk plants. These proportions for the marketing area and for the Huntington district have been as follows:

	Marketing area		Huntington district	
	Milk	Butterfat	Milk	Butterfat
	Percent	Percent	Percent	Percent
1946.....	14	22	17	27
1947.....	11	17	15	26
1948.....	9	14	13	24
1949.....	4	7	7	11
1950.....	5	7	8	12
1951.....	11	13	17	21
1952.....	10	15	18	23

These data show that nonfluid milk plants have been a regular and substantial source of supply, especially at Huntington district plants.

A significant portion of the market supplies have not been subject to the pricing and payment provisions of the order with the result that (1) the translation of the pricing and payment provisions of the order into adequate supplies of pure and wholesome milk has been handicapped; and (2) a portion of the market supplies are being procured on a flat price basis without regard to use of milk as distinguished from the price plan prevailing under the order.

It is therefore concluded that the definition of a "fluid milk plant" should be changed so that all milk plants which supply milk for the marketing area will be subject to the pricing and payment provisions of the order, except plants which supply only small or negligible quantities. For this purpose, any plant which supplies a total of 25,000 pounds or more of milk per month to one or more plants should also be a fluid milk plant, except as explained below. The volume of 25,000 pounds is selected because it approximates one tank truck load of milk.

Market statistics show a wide seasonal variation in receipts of unregulated

(other source) milk from nonfluid milk plants—in 1952 such receipts ranged from a low of a little over a quarter of a million pounds in June to a high of almost two and a half million pounds in January. Such receipts have been notably lower in recent years in May, June, July, and August than in other months. In the other months, September through April, some standard of shipment in addition to the 25,000 pounds per month explained above is appropriate in view of this wide seasonal variation. Any plant which becomes a fluid milk plant during the months of May through August pursuant to this standard can be expected to be called upon to supply milk in much larger quantities and more frequently during the other months of the year. It is concluded that during each of the months of September through April a plant should not be a fluid milk plant unless it supplies milk to one or more plants presently defined as fluid milk plants on one or more days of each week.

A large portion of the unregulated supply of milk which has been coming into the market has come from plants at Marysville and Circleville, Ohio. Both of these plants have two or more grades of dairy farmers based on the quality of milk delivered. If these or any other similar plants become subject to the order, only the highest grade of milk which is approved for fluid use by some marketing area health authority should be priced under the order.

Distributing returns among producers. Amounts which each handler is required to pay for milk should be uniformly distributed among producers supplying milk to such handler. This is commonly known as individual handler pooling.

The Tri-State market has experienced unequal distribution of available supplies of producer milk so that some handlers have had inadequate supplies of producer milk while other handlers had excessive supplies. In March 1953 individual handlers' utilization of producer milk in Class III ranged from less than one percent to 76 percent and about 14 percent of the total market supply was unpriced (other source) milk. Apparently such incentives as are provided in the present order for a handler to keep his supply of producer milk in line with his needs have not been effective, and additional incentives are needed.

The present Tri-State order causes all producers supplying the market to share equally in the utilization of all milk in the market. (This is commonly called market-wide pooling.) All producers receive the same price (except for butterfat and location differentials) Thus there is little or no price incentive for a producer to seek to deliver his milk to a handler using his milk in the higher valued outlets, and there is no incentive for handlers individually to keep their utilization high except to the extent that the pricing of Class III milk may make the retention of large amounts of milk for use as Class III milk unattractive. Apparently the Class III price has not been high enough to overcome the advantages which certain handlers have found in retaining supplies of producer

milk greatly in excess of their Class I and Class II needs.

Adoption of individual handler pooling should cause producers to seek to sell their milk to the handler whose price to producers is highest. Handlers who are retaining excessive supplies of producer milk will experience uniform prices which are low in comparison with those of other handlers. This tendency for producers to seek handlers with high uniform prices should cause handlers with excessive supplies of producer milk to try to raise their own uniform prices by either obtaining additional high-valued outlets or by reducing supplies. Thus available supplies of producer milk should be better allocated among handlers.

Class I prices. Class I milk at fluid milk plants should be priced according to the location of the plant in one of the following districts:

Huntington district: Boyd and Greenup Counties, Ky., Cabell, Logan, and Wayne Counties, W. Va., and Lawrence County, Ohio.

Gallipolis district: Gallia County, Ohio, and Mason County, W. Va.

Scioto district: Jackson, Pike, Scioto, and Vinton Counties, Ohio.

Athens district: All areas not in one of the three above districts.

The Class I price in each district should be the basic formula price plus the following amounts:

District	April, May, June, and July	February, March, August, and September	October, November, December, and January
Huntington.....	\$1.00	\$1.45	\$1.90
Gallipolis.....	.90	1.35	1.80
Scioto.....	.80	1.25	1.70
Athens.....	.70	1.15	1.60

The above amounts for the Athens district average the same as those presently applicable to fluid milk plants which are not Huntington district plants as presently defined. Since 1951, supplies of producer milk in this district have been adequate—in no month during that period has the proportion of the gross Class I utilization which was other source milk been as much as one percent. A change in the level of the Class I price for this district is not justified at this time. This matter should later be reviewed on the basis of experience under the changed scheme of regulation.

In time individual handler pooling can be expected to result in equalizing returns among producers through the movement of milk among handlers. In order to make it possible for producers located in the areas of heaviest production to share in sales in the portion of the market where shortages of producer milk have prevailed, it is necessary to provide price differentials which will compensate for the transportation involved.

Inclusion of all areas outside of the Huntington, Gallipolis, and Scioto districts as defined above in the Athens district will make the Athens district price, which is 30 cents below the proposed

Huntington district price, applicable to any plants outside of those three districts which may become fluid milk plants under the revised fluid milk plant definition. Thus any plants in the Athens district will have a 30 cents location differential with respect to milk delivered to a plant in the new Huntington district. It does not appear necessary to provide differentials greater than 30 cents because potential supplies appear to be available within an area for which the 30 cents location differential would be sufficient.

Establishment of Scioto district Class I prices at 10 cents above those for the Athens district and about 10 cents above those presently applicable in that area will retain Scioto district Class I prices in their present relationship with Huntington Class I prices—20 cents per hundredweight less. A slightly higher Class I price for the Scioto district than for the Athens district is appropriate in view of the fact that Scioto district supplies of producer milk are somewhat shorter in relation to needs than in the Athens district. Scioto district handlers compete actively with Huntington handlers for supplies, and any reduction in Scioto district prices in relation to Huntington prices would further jeopardize the supplies of Scioto district handlers.

Inclusion of Jackson and Pike Counties in the Scioto districts is appropriate because of the proximity of these counties and because plants located in those counties and in Scioto County compete with each other for supplies. Plants in these counties also compete with Huntington district and Gallipolis district handlers for supplies but have some location advantage in this competition. Vinton County should also be in this district because of its proximity to Jackson County and because a plant located in Vinton County distributes milk in Jackson and Gallia Counties.

Establishment of a Gallipolis district with Class I prices for plants located therein at 10 cents per hundredweight below those in the new Huntington district will retain Class I prices at Gallipolis at about the present level and at the present relationship with prices in the Athens district—20 cents per hundredweight less.

Proposals considered at the hearing sought to attach the higher of the prices involved to milk received at a plant located in lower priced districts and sold on routes operated wholly or partially in the higher priced district. The establishment of different districts with different prices is designed to reflect variations in the location of fluid milk plants with respect to primary sources of milk so that access to approved milk supplies is available to all handlers on a comparable basis. The order should provide that milk be priced the same whether it moves to the more distant districts in packaged form on distribution routes or in bulk either from one plant to another or by direct delivery from farm to plant. Under these conditions the milk can be expected to move by whichever method is most economical.

The new Huntington district as described above will include all of these handlers presently distributing milk in Huntington, Ashland, and Ironton, except the Gallipolis handler mentioned above. The record shows that the extension of the marketing area as proposed herein may subject to the order two new handlers who are distributing milk just outside of Huntington and Ashland. These handlers' plants are located in Greenup County, Kentucky, and in Logan County, West Virginia—thus these counties should both be a part of the new Huntington district.

The Class I prices proposed above for the new Huntington district are about 10 cents higher than present prices and are 10 cents higher in relation to prices at Athens, Marietta, and Parkersburg than at present. Data set forth above regarding the extent of the use of other source milk shows that the Huntington district has experienced much less adequate supplies of producer milk than the remainder of the market. This indicates that prices received by producers supplying the Huntington district have not been high enough to maintain supplies of producer milk at an adequate level. This increase in Class I prices for the Huntington district combined with the higher uniform prices which should result from individual handler pooling should provide a considerable additional incentive for producers to supply milk for the Huntington district.

The Class II price should continue to be 30 cents less than the Class I price.

The supply-demand adjustment should be revised on the basis of available data, but its operation should be held in abeyance until August 1, 1954, in order that such changes as may occur as a result of increasing the size of the marketing area, changing the fluid milk plant definition, changing Class I prices in certain districts, changing the method of pooling, and changing the seasonality in returns to producers and the propriety of the revised supply-demand adjustment may be observed before it becomes operative. If it becomes apparent by May or June 1954 that further revision is desirable, then a hearing can be held and appropriate revisions made; but if experience shows that its operation would be reasonable, it will begin operating on August 1, 1954.

Handlers' gross Class I utilization in the month of shortest supply (usually November) have ranged from 85.0 to 86.1 percent of total receipts of producer milk and other source milk in the last four years and have average 85.3 percent during that period. Thus if handlers are to be adequately supplied with producer milk in November, a relation of Class I utilization to supplies of about 85 percent appears necessary. It is expected that the seasonal variation in Class I utilization and in supplies of producer milk will continue to be about the same after any amendment resulting from this proceeding become effective as during recent years. Using 85 percent as the normal relationship between Class I utilization and supplies of producer milk in November and the seasonal pattern of recent years, this relationship for each

month of the year could normally be expected to be about as follows:

January	82
February	79
March	74
April	67
May	54
June	51
July	54
August	57
September	67
October	78
November	85
December	83

Combining these figures into two month periods the standard utilization percentages for use in the supply-demand adjustment should be as follows:

2-month period	Standard utilization percentage	Month during which such ratio would be used in computing the class I price
January-February	80	March.
February-March	77	April.
March-April	71	May.
April-May	60	June.
May-June	52	July.
June-July	52	August.
July-August	55	September.
August-September	62	October.
September-October	72	November.
October-November	81	December.
November-December	84	January.
December-January	83	February.

The seasonal variation in the amount of the supply-demand adjustment should be eliminated. With the seasonal variation in returns to producers which will result from the above Class I differentials (amounts added to the basic formula price) additional seasonal variation is not needed.

Class III price. No change should be made in the classification or pricing of Class III milk at this time.

Proponents of changes in the classification and pricing of milk which is presently Class III milk which would result in reducing the prices for such milk claimed that outlets were not available so that handlers could dispose of such milk without experiencing substantial financial losses. They claimed that outlets used in former years were not available to the same extent this year. This condition appears to be the result of much heavier than usual milk production throughout Ohio and the United States in recent months. The likely prevalence of such conditions in future years was not established.

In the last six years no substantial change has occurred in the utilization of Class III milk. The proportion of Class III milk used in cottage cheese has gradually increased during this period. There have been no significant changes in the proportion of Class III milk used by handlers for butter or ice cream. The proportion of Class III skim milk dumped or fed to livestock has declined somewhat and the volume disposed of to nonfluid milk plants has increased. During this period the volume of Class III milk has increased over 50 percent, but the above comparisons show that the outlets have increased accordingly.

As was mentioned above, one handler has retained milk supplies at such a level that in March 1953, 76 percent of his

milk was Class III milk. Apparently this handler has not found the Class III price unattractive enough to cause him to reduce his supplies of producer milk to a level more in line with his Class I and II requirements.

Seasonal variation in producer returns. A proposal for a fall production incentive plan whereby a portion of the moneys paid by handlers for milk in April, May, June, and July would be held in a special fund and distributed among producers in October, November, December, and January was considered at the hearing. Proponents were opposed to the distribution of this fund equally to all producers supplying the market in October, November, December, and January (i.e., on a market-wide pooling basis) and favored is accumulation and distribution on an individual handler pooling basis. This could result in different seasonal patterns of prices for each handler. Producers supplying a fluid milk plant which qualifies as a fluid milk plant only by supplying milk to another plant and which did not so qualify in April, May, June, or July would have no fall production incentive fund to share and would thus receive substantially lower prices than other producers. In view of these difficulties, it is concluded that seasonal variation in returns to producers should be established in the desired pattern by seasonally varying the Class I and Class II prices. The Class I and II prices proposed above will result in seasonal variations in returns to producers substantially the same as proponents of the fall production incentive plan sought to achieve.

Because of the present wide seasonal variation in supplies of producer milk more seasonal variation in returns to producers appears desirable to give additional price incentives for more even seasonal production. This wide seasonal variation in supplies means that facilities must be available for hauling, receiving, handling, and processing these supplies when they are heaviest and such facilities are idle or only partially used when supplies are low. The amount of the seasonal variation in returns to producers which will result from the seasonally varying Class I prices proposed above should provide more incentive for less seasonal variation in supplies.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk, in the marketing area and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further

amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Rulings on proposed findings and conclusions. Briefs were filed on behalf of producers and handlers. The briefs contained statements of fact, proposed findings and conclusions, and arguments with respect to the provisions of the proposed amendment. Every point covered in the briefs was carefully considered along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that the findings and conclusions proposed in the briefs are inconsistent with the findings and conclusions contained herein, the request to make such findings or to reach such conclusions is denied on the basis of the facts found and stated in connection with the conclusions in this recommended decision.

Recommended marketing agreement and amendment to the order. The following amendments to the order, as amended, are recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be identical with those contained in the order, as amended, and as hereby proposed to be further amended.

1. Delete §§ 972.5 through 972.16 and substitute therefor the following:

§ 972.5 **Tri-State marketing area.** "Tri-State marketing area," hereinafter called the "marketing area," means the territory lying within the boundaries of (a) Boyd County, Kentucky; (b) Athens County, Gallipolis Township of Gallia County, Jackson County, except Bloomfield, Hamilton, and Jackson Townships; Fayette, Hamilton, Perry, Rome, Union, and Upper Townships of Lawrence County; Beaver, Jackson, Marion, Pee Pee, Scioto, Seal, and Union Townships of Pike County; Scioto County; and Belpre, Marietta, and Muskingum Townships of Washington County; all in Ohio; and (c) Cabell County, except McComas and Union Magisterial Districts; Graham, Lewis, and Waggoner Magisterial Districts of Mason County; Ceredo, Union, and Westmoreland Magisterial Districts of Wayne County; and Lubeck, Parkersburg, Tygart, and Williams Magisterial Districts of Wood County; all in West Virginia, including, but not limited to, all municipal corporations in the above described area.

§ 972.6 **Route.** "Route" means delivery route (including a plant store) on which milk, skim milk, buttermilk, flavored milk, or flavored milk drink is distributed for consumption in fluid form to wholesale or retail stops other than to any milk plant(s).

§ 972.7 **Fluid milk plant.** Any milk handling plant (hereinafter referred to as a "plant") shall be a "fluid milk plant";

(a) In any delivery period in which a route is operated wholly or partially

within the marketing area from such plant;

(b) In any delivery period in which a total of 25,000 pounds or more of milk is delivered in the form of milk from such plant to one or more plants which are fluid milk plants pursuant to paragraph (a) of this section: *Provided*, That a plant shall not be a fluid milk plant pursuant to this paragraph during any of the delivery periods of September through April in which milk is delivered from such plant to one or more fluid milk plants pursuant to paragraph (a) of this section on less than one day of each week ending within such delivery period: *And further provided*, That a "fluid milk plant" pursuant to this section shall not mean such portions of a building or facilities used for receiving or processing such milk, or milk product, as is required by the appropriate health authority to be kept physically separate from the receiving or processing of Class I milk for the community(s) served.

§ 972.8 *Huntington district plant.* "Huntington district plant" means a fluid milk plant located in Boyd or Greenup County, Kentucky, or Cabell, Logan, or Wayne County, West Virginia, or Lawrence County, Ohio.

§ 972.9 *Gallipolis district plant.* "Gallipolis district plant" means a fluid milk plant located in Gallia County, Ohio, or in Mason County, West Virginia.

§ 972.10 *Scioto district plant.* "Scioto district plant" means a fluid milk plant located in Jackson, Pike, Scioto, or Vin-ton County, Ohio.

§ 972.11 *Athens district plant.* "Athens district plant" means a fluid milk plant which is not a Huntington district plant, a Gallipolis district plant, or a Scioto district plant.

§ 972.12 *Nonfluid milk plant.* "Non-fluid milk plant" means any milk processing or manufacturing plant not a fluid milk plant pursuant to § 972.7.

§ 972.13 *Producer* "Producer" means a person who produces milk received:

(a) At a fluid milk plant;

(b) At a nonfluid milk plant by diversion within April, May, June, or July from a fluid milk plant; or

(c) By an association in its capacity as a handler:

Provided, That such person producing milk holds a dairy farm inspection permit or equivalent certification if required by the appropriate health authority of the community for which his milk is produced.

§ 972.14 *Producer milk.* "Producer milk" means milk produced by one or more producers under the conditions set forth in § 972.13.

§ 972.15 *Delivery period.* "Delivery period" means the calendar month or the total portion thereof during which this part is in effect.

§ 972.16 *Handler* "Handler" means:

(a) A person who operates a fluid milk plant; or

(b) An association of producers with respect to milk customarily received as producer milk at a fluid milk plant which is diverted by such association

within April, May, June or July or its account from a fluid milk plant to a nonfluid milk plant.

§ 972.17 *Producer-handler.* "Pro-ducer-handler" means any person who:

(a) Produces milk but receives no milk from dairy farmers; and

(b) Operates a route extending into the marketing area.

§ 972.18 *Other source milk.* "Other source milk" means all skim milk (in-cluding reconstituted skim milk) and butterfat not received from a producer, or from a fluid milk plant, but:

(a) Contained in milk, skim milk, or cream; or

(b) Used to produce any milk product.

2. Amend § 972.22 (f) (2) to read as follows:

(2) Payments pursuant to §§ 972.65 through 972.81,

3. Amend § 972.22 (j) (2) to read as follows:

(2) On or before the 10th day after the end of such delivery period, the uni-form prices computed pursuant to § 972.62 and the butterfat differential computed pursuant to § 972.70.

4. Amend § 972.41 (a) and (b) to read as follows:

(a) Add the following amounts for the delivery periods indicated:

	April, May, June, and July	February, March, August, and September	October, November, December, and January
Huntington district plants.....	\$1.00	\$1.45	\$1.00
Gallipolis district plants.....	.00	1.35	1.60
Scioto district plants.....	.60	1.25	1.70
Athens district plants.....	.70	1.15	1.60

(b) Add or subtract a "supply-demand adjustment" computed as follows: *Pro-vided*, That this adjustment shall not apply prior to August 1, 1954.

(1) Divide the total gross volume of Class I milk (less interhandler trans-fers) at all fluid milk plants of handlers in the first and second preceding delivery periods by the total receipts of milk from producers at such plants during the same delivery periods, multiply the re-sult by 100, and round to the nearest whole number. The result shall be known as the "current utilization per-centage."

(2) Compute a "net utilization per-centage" by subtracting from the cur-rent utilization percentage as computed in subparagraph (1) of this paragraph the "standard utilization percentage" shown below:

Delivery period for which price is being computed:	Standard utilization percentage
January	84
February	83
March	80
April	77
May	71
June	60
July	53
August	52
September	55
October	62
November	72
December	81

(3) Determine the amount of the sup-ply-demand adjustment as follows:

If net utilization percentage is:	Supply-demand adjustment is (cents)
+12 or over.....	+33
+9 or +10.....	+23
+6 or +7.....	+20
+3 or +4.....	+10
+1 or -1.....	0
-3 or -4.....	-10
-6 or -7.....	-20
-9 or -10.....	-23
-12 or under.....	-33

When the net utilization percentage does not fall within a tabulated bracket, the supply-demand adjustment shall be determined by the adjacent bracket which is the same or nearest to the bracket used in the previous month. If in the first delivery period this supply-demand adjustment is in effect the net utilization percentage does not fall within a tabulated bracket, the supply-demand adjustment shall be determined by the adjacent bracket which would have been used in determining the sup-ply-demand adjustment had it been in effect in the previous month.

5. Delete §§ 972.61 through 972.63 and substitute therefor the following:

§ 972.61 *Computation of uniform prices.* For each delivery period the market administrator shall compute for each handler a "uniform price" per hundredweight to be paid to producers and associations of producers for milk of 3.5 percent butterfat content received at fluid milk plants as follows:

(a) From the value of milk computed for such handler pursuant to § 972.60, subtract, if the weighted average butter-fat test of producer milk represented by the value included under paragraph (a) of this section is greater than 3.5 percent, or add, if such butterfat test is less than 3.5 percent, an amount computed by multiplying the amount by which its weighted average butterfat test varies from 3.5 percent by the butterfat differ-ential computed pursuant to § 972.70, and multiplying the resulting figure by the total hundredweight of such milk;

(b) Add or subtract, as the case may be, any amounts necessary to correct errors in classification for previous de-livery periods as disclosed by audit by the market administrator;

(c) Adjust the resulting amount by the sum of money used in adjusting the uniform price pursuant to paragraph (e) of this section, for the previous month, to the nearest cent;

(d) Divide the result by the total hundredweight of producer milk repre-sented by the value computed pursuant to § 972.60; and

(e) Adjust the resulting figure to the nearest cent.

§ 972.62 *Notification to handlers.* On or before the 10th day after the end of each delivery period, the market admin-istrator shall notify each handler of:

(a) The amount and value of his milk in each class and the totals thereof.

(b) His uniform price; and

(c) The amount to be paid by such handler pursuant to §§ 972.65 and 972.70.

6. Delete §§ 972.65 through 972.69 and substitute therefor the following:

§ 972.65 *Time and method of final payment.* Each handler shall make payment, subject to the provisions of §§ 972.66, 972.70, 972.75, and 972.76, for all producer milk received during each delivery period, as follows:

(a) Except as set forth in paragraph (b) of this section, to each producer, on or before the 18th day after such delivery period, at not less than such handlers uniform price for milk of 3.5 percent butterfat; and

(b) To an association of producers for milk to producers from whom such association has received written authorization to collect payment, on or before the 16th day after such delivery period, of a total amount equal to not less than the sum of the individual amounts otherwise payable to such producers under paragraph (a) of this section.

§ 972.66 *Partial payments.* Handlers shall make partial payments to producers as follows:

(a) On or before the last day of each delivery period, each handler shall make payment except as set forth in paragraph (b) of this section, to each producer at not less than such handler's uniform price of the preceding delivery period for the milk of such producer which was received by such handler during the first 15 days of the current delivery period; and

(b) On or before the day immediately preceding the last day of each delivery period, each handler shall make payment to an association of producers for milk of producers from whom such association has received written authorization to collect payment at not less than such handler's uniform price of the

preceding delivery period for all such milk which was received by such handler during the first 15 days of the current delivery period.

7. Amend § 972.81 to read as follows:

§ 972.81 *Overdue accounts.* Any unpaid obligation of a handler or of the market administrator pursuant to §§ 972.65 through 972.80 shall be increased one-half of one percent on the first day of the calendar month next following the due date of such obligation and on the first day of each month thereafter until such obligation is paid.

Filed at Washington, D. C., this 11th day of September 1953.

[SEAL] GEORGE A. DICE,
Acting Assistant Administrator

[F. R. Doc. 53-8007; Filed, Sept. 15, 1953; 8:51 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[Commissioner's Reorganization Order 23]

DISTRICT DIRECTORS

AUTHORIZATION TO REQUIRE RECORDS TO BE KEPT SHOWING LIABILITY TO INCOME TAX

Pursuant to the authority vested in me as Commissioner of Internal Revenue, District Directors of Internal Revenue are hereby authorized to require any person, by notice served upon him, to keep such records as shall show whether or not such person is liable to the income tax under chapter 1 of the Internal Revenue Code, and the correct amount of income subject to tax.

Dated: September 11, 1953.

[SEAL] T. COLEMAN ANDREWS,
Commissioner

[F. R. Doc. 53-7999; Filed, Sept. 15, 1953; 8:48 a. m.]

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS, AND DIRECTOR, PRODUCTION LOAN DIVISION

DELEGATION OF AUTHORITY WITH RESPECT TO CERTAIN POWERS, FUNCTIONS AND DUTIES

There is hereby delegated to the Deputy Administrator, Assistant Administrators, and the Director, Production Loan Division, Farmers Home Administration, subject to the general supervision of the Administrator, all authorities, powers, functions and duties vested in the Secretary of Agriculture pursuant to the authority contained in the act of April 6, 1949 (63 Stat. 43) as amended by the 1950 amendment to Public Law 38 (64 Stat. 414), as amended and supplemented by the act of July 14, 1953 (67 Stat. 149) and as supplemented by the act of August 13, 1953 (67 Stat. 558) and delegated to the Administrator by the order of the Acting Secretary of

Agriculture dated July 30, 1953 (18 F. R. 4969) The authorities, powers, functions and duties delegated herein may not be redelegated.

This order supersedes and revokes the order of the Administrator of the Farmers Home Administration dated May 7, 1951 (16 F. R. 4475)

Done at Washington, D. C., this 31st day of August 1953.

[SEAL] R. B. McLEAISH,
Administrator,
Farmers Home Administration.

[F. R. Doc. 53-7997; Filed, Sept. 15, 1953; 8:48 a. m.]

Office of the Secretary

MISSISSIPPI

SALE OF MINERAL INTERESTS; REVISED AREA DESIGNATION

Schedule A, entitled Fair Market Value Areas, and Schedule B, entitled One Dollar Areas, accompanying the Secretary's Order dated June 26, 1951 (16 F. R. 6318) are amended as follows:

In Schedule A, under Mississippi, in alphabetical order, add the county "Benton"

In Schedule B, under Mississippi, delete the county "Benton"

(Sec. 3, Pub. Law 760, 81st Cong.)

Done at Washington, D. C., this 14th day of September 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8054; Filed, Sept. 15, 1953; 11:16 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

MEMBER LINES OF NORTHWEST MARINE TERMINAL ASSOCIATION

NOTICE OF CANCELLATION OF AGREEMENT

Notice is hereby given that the Board by order dated September 3, 1953, ap-

proved the cancellation of the following described agreement pursuant to section 15 of the Shipping Act, 1916, as amended, 39 Stat. 733:46 U. S. C. section 814.

Agreement No. 7693 between the Member Lines of the Northwest Marine Terminal Association and certain steamship companies covered the understanding of the parties with respect to period of notice for making changes in service charges and berthage or dockage charges by Washington and Oregon terminal operators members of said terminal association and with respect to the payment by the steamship companies of unpaid service charges which had been in dispute.

Interested parties may obtain copies of this agreement at the Regulation Office, Federal Maritime Board, Washington, D. C.

Dated: September 11, 1953.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 53-7998; Filed, Sept. 15, 1953; 8:48 a. m.]

[No. 741]

R. STONE & CO., INC. AND TIDEWATER FORWARDING CO.

MISCLASSIFICATION OF TISSUE PAPER AS NEWSPRINT PAPER; ORDER OF INVESTIGATION AND NOTICE OF HEARING

On September 3, 1953, the Board entered the following order:

It appearing, from information before the Federal Maritime Board that R. Stone & Co., Inc., a shipper, and Tidewater Forwarding Company, Inc., a forwarder subject to section 16 of the Shipping Act, 1916, as amended, knowingly and wilfully, directly or indirectly, by means of false classification or by other unjust or unfair device or means obtained or attempted to obtain transportation by water for tissue paper at less than the rate or charges which would otherwise be applicable during May 1953, and at vari-

ous times prior thereto, in violation of section 16 of said act;

It is ordered, That the Board, on its own motion, pursuant to section 22 of said act, enter upon a proceeding of investigation into and concerning the alleged violation of the act as aforesaid; and

It is further ordered, That said parties be, and they are hereby named respondents in this proceeding, that copies of this order be served upon them, and that a copy of said order be published in the *FEDERAL REGISTER*; and

It is further ordered, That this proceeding be assigned for hearing before an examiner of the Board at a date and place to be fixed by the Chief Examiner.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

Pursuant to the above order notice is hereby given that a public hearing will be held before an examiner of the Hearing Examiners' Office, at a date and place to be announced later. The hearing will be conducted pursuant to the Board's rules of practice and procedure (18 F. R. 3716) and the examiner will issue a recommended decision.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) having an interest in this proceeding and desiring to participate in the hearing should notify the Secretary, Federal Maritime Board, accordingly on or before September 30, 1953, and file petitions for leave to intervene in accordance with § 201.74 of the above rules.

Dated: September 11, 1953.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 53-8004; Filed, Sept. 15, 1953; 8:50 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 10336]

ALBUQUERQUE BROADCASTING CO. (KOB)

ORDER CONTINUING ORAL ARGUMENT

In re application of Albuquerque Broadcasting Company (KOB) Albuquerque, New Mexico; for extension of special service authorization; Docket No. 10336, File No. BSSA-275.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 9th day of September 1953;

The Commission having under its consideration a petition filed August 25, 1953, by Albuquerque Broadcasting Company (KOB) requesting that oral argument scheduled for September 17, 1953, be postponed until October 19, 1953; and

It appearing, that the petitioner has stated the other participants in the proceeding have agreed to the requested postponement;

It is ordered, That the above-described petition is granted; that the oral argument herein now scheduled for September 17, 1953 is postponed to Monday, November 9, 1953; and that the argument herein is calendared as Argument No. 1 in the Commission's notice of oral argument for that date.

Released: September 10, 1953.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] Wm. P. MASSING,
Acting Secretary.

[F. R. Doc. 53-8001; Filed, Sept. 15, 1953; 8:49 a. m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

OA FISCAL OFFICER AND ASSISTANT OA FISCAL OFFICERS

DELEGATION OF AUTHORITY TO EXECUTE LEGENDS ON BONDS, NOTES, OR OTHER OBLIGATIONS EVIDENCING LOANS MADE UNDER TITLE I OF HOUSING ACT OF 1949, AS AMENDED, INDICATING ACCEPTANCE OF SUCH INSTRUMENTS AND PAYMENT THEREFOR

The OA Fiscal Officer and the Assistant OA Fiscal Officers (Finance and Accounts Branch, Division of Administration) each is hereby authorized to execute, on behalf of the Housing and Home Finance Administrator, in instances where necessary or appropriate, any legend appearing on any bond, note, or other obligation being acquired by the Federal Government from a local public agency on account of a loan to such local public agency pursuant to Title I of the Housing Act of 1949, as amended, which legend indicates the Federal Government's acceptance of the delivery of the particular bond, note, or other obligation and its payment therefor on the date specified in the particular legend.

This delegation of authority supercedes the delegation effective March 1, 1952 (17 F. R. 1868) respecting this same subject.

(Reorg. Plan No. 3 of 1947, 61 Stat. 954 (1947); 62 Stat. 1268, 1283-85 (1948), as amended, 12 U. S. C., 1946 ed. Sup. V 1701c; 63 Stat. 414-421 (1949), as amended, 42 U. S. C., 1946 ed. Sup. V 1451-1460)

Effective as of the 16th day of September 1953.

ALBERT M. COLE,
Housing and Home Finance Administrator.

[F. R. Doc. 53-8003; Filed, Sept. 15, 1953; 8:49 a. m.]

REGIONAL REPRESENTATIVES, REGIONS III (CHICAGO) AND IV (FORT WORTH)

DELEGATION OF AUTHORITY WITH RESPECT TO DISASTER RELIEF PROGRAM

1. The Regional Representatives, Regions III (Chicago) and IV (Fort Worth) of the Office of the Administrator Field Service, each with respect to matters within the region under his jurisdiction,

is hereby delegated authority to authorize a local government to discontinue collection activities relating to, and charge off as a bad debt any apparently uncollectible disaster trailer rental account owed to such local government for accommodations in Federally-owned trailers loaned to and operated and maintained by said local government as part of a disaster trailer housing project under any agreement providing for the furnishing of Federal assistance for disaster relief entered into by the local government with the United States under the authority of the act of September 30, 1950, as amended, 64 Stat. 1109, as amended by 65 Stat. 173 (1951) 42 U. S. C., 1946 ed. Sup. V 1855-1855g, commonly known as the Disaster Relief Act, and Executive Order 10221, dated March 2, 1951 (16 F. R. 2051) *Provided, however,* That such authorization may be granted to a local government only after the following conditions have been complied with:

a. The local government has issued to the Regional Representative a certificate stating it has exhausted all reasonable efforts to effectuate collection of the rental account item involved (the certificate providing in substance that the local government in its efforts to collect has exercised such diligence and care as would be exercised by an ordinary prudent man in the conduct of his own business) and has supported such certificate with a statement of the specific reasons why the item is considered uncollectible;

b. A survey board of three members appointed by the Regional Representative acting under the chairmanship of the Regional Counsel, ex officio one of the three members of the board, has considered all evidence and information available relative to the collectibility of the rental account item, including the certificate from the local government; and (acting by a majority vote) has recommended to the Regional Representative that the local government be authorized to regard the item as uncollectible; and

c. The Regional Representative after reviewing the certificate issued by the local government and the recommendation of the advisory board has determined the item to be in fact uncollectible.

2. This delegation of authority supercedes the prior delegation of authority effective June 13, 1953, published at 18 F. R. 3428 (June 13, 1953) which delegation is hereby revoked.

(Reorg. Plan No. 3 of 1947, 61 Stat. 954 (1947); 62 Stat. 1268, 1283-85 (1948), as amended, 12 U. S. C., 1946 ed. Sup. V 1701c; 63 Stat. 413, 440 (1949), 12 U. S. C., 1946 ed. Sup. V 1701d-1; 64 Stat. 1109 (1950), as amended by 65 Stat. 173 (1951), 42 U. S. C. 1946 ed. Sup. V 1855-1855g; E. O. 10221 of Mar. 2, 1951, 16 F. R. 2051 (1951))

Effective as of the 16th day of September 1953.

ALBERT M. COLE,
Housing and Home Finance Administrator.

[F. R. Doc. 53-8002; Filed, Sept. 15, 1953; 8:49 a. m.]

No. 181—5

Public Housing Administration**ATTESTING OFFICERS****FIELD ORGANIZATION AND FINAL DELEGATIONS OF AUTHORITY**

Section III *Field organization and final delegations of authority*, is amended as follows:

Paragraph c is amended to read as follows:

c. *Attesting Officers.* The Production Control Assistant and the Document Control Clerk are each designated Attesting Officer in respect to all documents requiring attestation. The Attesting Officer shall affix the official seal to such documents as may require its application and is authorized to certify that copies of documents, leases, contracts, and other papers are identical with the originals.

Date approved: August 31, 1953.

[SEAL] CHARLES E. STUSSER,
Commissioner

[F. R. Doc. 53-7985; Filed, Sept. 15, 1953;
8:45 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 30-153]

ARKANSAS FUEL OIL CORP.

NOTICE OF FILING FOR ORDER THAT APPLICANT HAS CEASED TO BE A HOLDING COMPANY

SEPTEMBER 9, 1953.

Notice is hereby given that Arkansas Fuel Oil Corporation ("Ark-Fuel") formerly Arkansas Natural Gas Corporation, a registered holding company, has filed an application under section 5 (d) of the Public Utility Holding Company Act of 1935 ("act") requesting the Commission to declare by order that Ark-Fuel has ceased to be a holding company.

Prior to the consummation of an Amended Plan of Arkansas Natural Gas Corporation pursuant to section 11 (e) of the act and the merger on April 17, 1953 of Arkansas Fuel Oil Company, a wholly owned subsidiary, into Arkansas Natural Gas Corporation, applicant herein was known as Arkansas Natural Gas Corporation and as such filed with the Commission on April 22, 1938 Notification of Registration under section 5 (a) of the act. Its only utility subsidiary was Arkansas Louisiana Gas Company.

By order dated October 1, 1952, the Commission approved an Amended Plan for Simplification of the Corporate Structure of Arkansas Natural Gas Corporation ("Plan") and by order dated January 29, 1953, the Plan was approved and ordered enforced by the United States District Court for the District of Delaware. Pursuant to the provisions of the Plan and said order of Court, March 30, 1953, was fixed as the effective date of the Plan. Thereafter Ark-Fuel and Cities Service Company ("Cities") having applied to the Commission and the Court for approval of a modification and clarification of the Plan which, by orders dated June 16, 1953, was approved by

the Commission and Court; and Ark-Fuel and Cities having applied to the Commission for approval of an amendment to the Plan, and the Commission, by memorandum opinion and order dated July 22, 1953, having approved the Plan as amended, the Court by supplemental order dated July 29, 1953, approved and directed enforcement and consummation of the Plan as amended.

The transactions proposed and provided for in the Plan as amended, including the distribution of the outstanding common stock of Arkansas Louisiana Gas Company to the holders of Common and Class A Common Stock of Arkansas Natural Gas Corporation (other than distribution of a small number of shares to unlocated stockholders) have been carried out in accordance with the terms and conditions of the Plan as amended.

Applicant now seeks the entry of an order, pursuant to section 5 (d) of the act, declaring that it has ceased to be a holding company and in connection therewith Ark-Fuel has agreed and consented that any such order shall be without prejudice to the jurisdiction reserved by the Commission's order dated October 1, 1952 (File Nos. 54-186, 59-93 and 70-1804) to the extent that the matters specified therein have not theretofore been disposed of.

Notice is further given that any interested person may, not later than September 25, 1953, request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date, the application, as filed, or as amended, may be granted.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-7989; Filed, Sept. 15, 1953;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 28438]

SILICA SAND FROM MUSCATINE, IOWA, TO THE SOUTHWEST

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Silica sand, carloads.

From: Muscatine, Iowa.

To: Points in the Southwest.

Grounds for relief: Competition with rail carriers, circuitous routes, to apply

rates constructed on the basis of the short-line distance formula, additional origin.

Schedules filed containing proposed rates; F. C. Kratzmeir, Agent, tariff I. C. C. No. 3736, supp. 232.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7090; Filed, Sept. 15, 1953;
8:47 a. m.]

[4th Sec. Application 28439]

LATEX FROM BATON ROUGE AND NORTH BATON ROUGE, LA., TO OHIO, ILLINOIS, AND INDIANA

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to Agent W. P. Emerson, Jr.'s, tariff I. C. C. No. 417, pursuant to fourth-section order No. 16101.

Commodities involved: Latex (liquid crude rubber) in tank-car loads.

From: Baton Rouge and North Baton Rouge, La.

To: Points in Ohio, Illinois, and Indiana.

Grounds for relief: Competition with rail carriers, circuitous routes, operation through higher-rated territory.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hear-

ing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7991; Filed, Sept. 15, 1953;
8:47 a. m.]

[4th Sec. Application 28440]

CEMENT FROM PENNSYLVANIA TO
POWERSVILLE, IOWA

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by C. W. Boin, Agent, for carriers parties to schedule listed below.

Commodities involved: Cement, in carloads.

From: Navarro, Northampton, and York, Pa.

To: Powersville, Iowa.

Grounds for relief: Competition with rail carriers, circuitous routes, to apply rates constructed on the basis of the short-line distance formula, additional destination.

Schedules filed containing proposed rates: C. W. Boin, Agent, tariff I. C. C. No. A-970, supp. 19.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7992; Filed, Sept. 15, 1953;
8:47 a. m.]

[4th Sec. Application 28441]

BORINGS, FILINGS, OR TURNINGS FROM
NEW YORK AND MARYLAND, TO HOLSTON
AND KINGSFORD, TENN.

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-

haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by C. W. Boin, Agent, for carriers parties to schedule listed below.

Commodities involved: Borings, filings, or turnings, iron or steel, in carloads.

From: New York and Brooklyn, N. Y., Baltimore and Sparrows Point, Md.

To: Holston and Kingsford, Tenn.

Grounds for relief: Competition with rail carriers, circuitous routes, to apply rates constructed on the basis of the short-line distance formula.

Schedules filed containing proposed rates: C. W. Boin, Agent, tariff I. C. C. No. A-968, supp. 18.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7993; Filed, Sept. 15, 1953;
8:47 a. m.]

[4th Sec. Application 28442]

CHEMICALS FROM MICHIGAN, OHIO AND
WEST VIRGINIA TO CONNECTICUT, MASSACHUSETTS, NEW JERSEY, AND RHODE
ISLAND

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by L. C. Schuldt, Agent, for carriers parties to his tariff I. C. C. No. 4542, pursuant to fourth-section order No. 17220.

Commodities involved: Carbon tetrachloride, chloride of sulphur or trichloroethylene, and perchlorethylene, in carloads.

From: Points in Michigan, Ohio, and West Virginia.

To: Points in Connecticut, Massachusetts, New Jersey, and Rhode Island.

Grounds for relief: Competition with rail carriers, circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such

application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7994; Filed, Sept. 15, 1953;
8:47 a. m.]

[4th Sec. Application 28443]

SODA ASH FROM WESTVACO, WYO., TO
BAUXITE, ARK.

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Soda ash, in carloads.

From: Westvaco, Wyo.

To: Bauxite, Ark.

Grounds for relief: Competition with rail carriers, circuitous routes, market competition.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, tariff I. C. C. No. 4046, supp. 27.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7995; Filed, Sept. 15, 1953;
8:47 a. m.]

[4th Sec. Application 28444]

NITRATE OF SODA FROM HOPEWELL, VA.,
TO CHAUNCEY, N. Y.

APPLICATION FOR RELIEF

SEPTEMBER 11, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: C. W. Boin, Agent, for carriers parties to schedules listed below.

Commodities involved: Sodium (soda) nitrate of, or chile salt petre, carloads.
From: Hopewell, Va.
To: Chauncey, N. Y.

Grounds for relief: Competition with motor-water carriers.

Schedules filed containing proposed rates: Norfolk and Western Railway Company tariff I. C. C. No. 9443, supp. 62; C. A. Spaninger, Agent, tariff I. C. C. No. 1324, supp. 41.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the

application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-7996; Filed, Sept. 15, 1953;
8:48 a. m.]